Confidential.

DEPARTMENT OF STATE
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Draft of a.a.d. Philip

Legation of the United States.

Peking, December 8th 1885.

Colonel Denby to the

Secretary of State.

Subject.

"Likin" taxation of China.

One enclosure -

No. 57.

Legation of the United States.
Peking. December 18th 1885.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington, D. C.

Sir:

Before leaving the United States I was directed to report on the Pekin Fair. During the short time I have been here I have given the subject all the attention that I could, and have availed myself largely of the information and learning of the Secretary

Secretary, Mr. Rockhill. I
have now the honor to
1/ enclose a memorandum
57 which gives a complete
history of the subject with
such recommendations as
seem to me advisable.

I have the honor to be,
Sir,
Your obedient servant,
Charles Denby

Enclosure.
1. Memorandum on Likin
Taxation.

Confidential

Memorandum on Likin Taxation –

I

Between 1843 and 1844 the Government of China desiring to cover the losses accruing to the public exchequer from the necessity of having to remit the land tax wholly or partially in the disturbed districts (Tsung-li Yamên to Sir Rutherford Alcock June 28th 1868) and in view of the absolute necessity of raising funds for the pay of the soldiery (Decree Sept 23rd 1879), instituted the "Likin" tax, or a tax of $\frac{1}{1000}$th on the tael.

It might be supposed, if we consider but the name (厘 li, $\frac{1}{1000}$th of a tael, 金 kin, money, coin) that it was an ad valorem duty, but such does not appear ever to have been its character. In its present

present form, which dates from about 1860, when it became a universal tax, it is a specific rate per bale, piece or pound as the case may be.

Originally of a temporary character (Decree Feb 11-12 1882) it has become a permanent and universal tax, which (through the weakness of the Peking Government, the number power and rapacity of its agents,) has gradually become intolerably burdensome to native and foreign trade alike.

The amount and mode of the collection of Likin varies in the different provinces, in each of which this service is under the direction of the provincial high authorities. In each province there is a Likin central office (Tsung Likin chü) under the direction of a high official and he establishes

establishes subsidiary stations throughout the province along the routes frequented by trade, and entrusts the management of each to a deputy (Hsi Kuan) who reports to the central office and is independent of the local officials. Each deputy transmits his accounts to the central office, and there does not appear to be any means of controlling them.[1]

In many cases, especially at the large ports, the collection of Likin on a certain article of trade is farmed out, the contractor paying a fixed sum per annum to the provincial authorities - generally a very small percentage of the sums collected, and retaining the balance for himself.

The likin barriers have gradually increased until "they are thickly distributed throughout

1. Conf however Memorial of Governor of Kiangsi Oct 3rd 1885.

throughout the provinces, the number of deputies (Hsi-yüan) deputed to manage them is excessive, and the expenditure thus unnecessarily incurred is very large... The Imperial commands have been issued directing Governor General and Governors to apply themselves with genuine zeal to the task of withdrawing or amalgamating these collectorates. Habit and long custom have, however, in many instances prevailed, and the desire of standing well with their subordinates has often induced their Chiefs to help them with appointments to these collectorates" (Decree Dec. 29th 1881 See also Decree Sept 23rd 1879)

Great Britain, by the Treaty of Nanking (August 29th, 1842 Art X) founded the

transit

transit pass system, which has since been adopted by all of the treaty powers in China, the object of which was to exempt, by the payment of a transit duty (fixed at half the tariff duty) all foreign goods from all inland taxation.

This system should have been of the greatest assistance to foreign trade, as well as to native, but for the determined opposition of the provincial authorities (all of whom are interested in the revenues, both regular and irregular, derived from the likin stations)

A few of the irregular or arbitrary modes of procedure of the local authorities in connection with foreign goods under transit pass, may here be mentioned, and among these

there I will not even consider the categorical refusal of the local authorities (as at Kiui Chau) to recognize transit passes. "Upon the unloading of any merchandize protected by a transit pass, the likin officials at the place of designation proceed at once to exact a "consumption tax," and it must be paid by either the seller or the buyer before the goods can be transferred. This tax is quite arbitrary and upon bases quite unknown to the seller. It may be light and not appreciably advance the cost of the goods. It may also be, and often is, exorbitant and amounts to a prohibition of sale without actual loss.

"When the goods have arrived at the terminus indicated in the Pass, they become "unidentified," and

and if forwarded further inland must pay likin at every barrier passed. If twenty such barriers intervene between the point indicated in the place and some city further inland, to which it is desirable to transport the goods for a market, at every one of the twenty barriers likin must be paid.

"There are yet to be adduced evils in the system certainly not less than the foregoing. They are the uncertainty in valuation and the apparently arbitrary way in which rates are decided upon. . . . Receipts for payments are refused. . . . so that there can be no proof of illegal exactions if complaint is made. . . . I have known of Taels 15 having been paid to get goods passed at Kwai Chow, while a memorandum

of the payment of one Tael five mace (T. 1.5) was only affixed to the boat containing the goods (J. T. Shepard. U.S. Consul at Kaukow to Minister Seward No. 35 Nov. 12th 1879).

While the taxing of uncertificated goods certainly appears irregular, still it is a right claimed by China, as may be seen by reference to the Memorandum of the Tsung-li Yamên to the Chinese Ministers abroad in March 1878, quoted further on.

A more convincing proof of how hopeless it is to expect a development of an import trade until some alteration takes place in the transit pass system is derived from the following list of goods sent up country from Pakoi under transit pass during the year 1884 (See Clement T. Allen

Allen H. B. M. Consul Pakhoi.
Trade Report for 1884)

White shirtings	Pieces	50
Yarn	Piculs	51.30
Longcloths	Pieces	100.
Needles	Mille	280

A proof of the baneful effect of likin taxation on foreign trade may be shown by the recent increase in the amount of likin levied on kerosene oil at Canton.

Under the tariff the import duty on kerosene oil is fixed at 5% per cent, but since 1882 a likin has been levied on kerosene at Canton of 40 cents per case on the grounds set forth in the annexed proclamation by which the petitioners is granted the right to collect this likin in consideration of the annual payment to the Provincial Authorities

1/-

of

of $31.000. In the latter part of 1884 or the commencement of 1885 another likin tax was imposed upon kerosene of 30 cents per case, thus making <u>at the port of entry alone</u> a total tax of 47½ % as against 7½ per cent as contemplated by the treaty for import tax and transit dues.

This case reveals also to show how thoroughly worthless is the system, for supposing the normal importation of kerosene oil into Canton to be 500.000 cases, and this is believed to be a close approximation, the likin tax of 40 cents per case would yield the monopolist $200.000 per annum whereas he only pays $31.000 per annum to the government, or about 6%, the balance being retained by him.

One

One of the chief grievances which the Chinese authorities have against the transit pass system is the abuse which foreign merchants make of the privileges which the passes accord them, and the facilities they afford Chinese merchants, whose agents they are, of bringing from the interior, under transit pass, goods which they have no intention of exporting and in the ownership of which the foreign merchant has no part.

The following case is a good example of the practice "Foreign opium imported into Shanghai is placed in bond and the duty of Tls 30 per picul (lbs 133⅓) is paid when delivery is taken, and in some cases, to avoid the likin tax which is a high one,

certain

certain foreigners clear the opium at the Custom House, thus representing that they are the bona fide owners. It is taken to a Hong over which hangs their sign and here it is retailed to the (Chinese) shopkeepers. For the use of his name the foreigner receives a commission on every chest so disposed of, and this whole system is simply a transparent fraud upon the revenue of China, so long as the present regulations exist." (Actg Consul General C. J. Smithers to Minister Denby No. 154 Nov 19th 1885) See also for parallel case, Shanghai Taotai to Cons Genl Mayers Aug 15. Oct. 16. 1876. Mr. Cons. Shepard to Mr. Young. Apl 7. 1884. Mr. Vice Consul Bergholz to Mr. Smithers No. 95 July 27th No. 97. Aug 14. 1885. Conf. also H. B. M. Consul at Hulan Trade report 1884

1884, p. 61.

Putting aside the question of foreign trade and only considering the likin question as part of the internal revenue system of China, we find that as a whole it works most unsatisfactorily and that the abuses in connection with the stations for the collection of likin are very numerous (Decree Nov 13th 1879).

In an Imperial Edict of January 21st 1876, referring to the petition of the Censor Kwang Kwai-Shen (published February 13th 1876) it is stated that the higher officials connected with the likin offices avail themselves of their positions and of the great number of officials attached to likin stations to provide expectants for office:

that

that even if these officials commit no wrong, yet their excessive numbers alone cause very great expense, but moreover the greatest extortions by the watchmen and guard boats are reported, as for instance the seizure of goods before they have arrived at a station on pretext that they have been smuggled, or the stoppage of goods which have been already examined and are furnished with receipts for the dues paid. In other cases great sums have been extorted from personal luggage or from goods which are duty free, and a declaration has been demanded from the owner that no illegal payments had been exacted from him. Should he refuse to do so, his goods are brought to the principal station and there detained

detained. The owner is subjected to torture and finally the goods are confiscated without consideration of the fact whether dues have been paid or not: or they are perhaps returned to him after a fine of 8/10 of their value has been levied.

The Censor Ko Chung, addressing the Throne on the abuses in the likin collection in Kuang-si (Peking Gazette Apl 20th 1881) says that all sorts of abuses are rife in the collection of the tax, for example goods which remain unsold on the expiration of 100 days are liable to a second likin charge.

In a memorial from Chang Kai-sung Governor of Kuei-chow (Peking Gazette Aug 17th 1884) referring to the vexatious

vexatious exactions in the collection of likin revenue, he states that three abuses must be specially guarded against-

First- The vexatious taxation of porters and bearers of loads, who are called upon, under the name of lo-ti, or last at the place of deport, to pay duty on the most trifling and petty commodities.

Second- The vexatious delays that are caused by underlings, who do everything to hinder the free passage of goods, and the heavy fines inflicted by collectors who put these fines into their own pockets.

Third- Private taxation under public names and the exaction of subsidiary taxes where duties are levied a second time.

A Censor, Hu Ting-Kuei, writing

writing in 1875, calculated that the likin on salt alone, if faithfully returned, ought to yield Hs 12.000.000, and that the levy on miscellaneous goods should probably be about the same amount. As it is the likin on salt, opium and miscellaneous goods does not probably yield over Hs 18.000.000 (See Jamieson. The Revenue of China p 36)

II.

The position taken by the Chinese Government, in regard to the likin question, is clearly set forth in a Memorandum sent by the Tsung-li Yamen to the Chinese Ministers abroad in March 1878, and which they communicated to the different governments to which they were accredited.

As regards likin, the Memorandum says "likin is continually objected to by foreigners. But is it not just as well known that Chinese merchants are opposed to it too, and that the Government regards it only as a temporary expedient?

"Independent Powers must be guided by national necessities in fixing their taxations. In these troublesome times

times the demands on the Government are very heavy, and it is impossible to avoid having recourse to special measures: we maintain that all such matters should be left to be determined by China herself, and that the foreigner has no more right to interfere with or object to them, than China would have to interfere with or criticise the action of a foreign government in raising loans or increasing taxes. If foreign merchants desire to escape the likin, they can escape it, all they have to do is to supply themselves with transit certificates when taking foreign goods into the interior, or bringing native produce out of the interior: if they do not carry transit certificates, they must pay the likin, for

for, in the absence of transit certificates, all goods are alike and indistinguishable, and must in the interior pay likin according to the rule of the locality."

And farther on, the same paper, summarizing the position taken up by China on the question, says: "In the matter of likin and taxation generally, we hold that China as an independent state, has the right to levy whatever taxes she pleases in whatever manner she may think best, and we consider it unfair on the part of other Governments to question our proceedings, or put difficulties in our way, seeing that we only collect special taxes because special circumstances call for them"

To

To the arguments put forth by China, it may be replied that, if China in claiming the sovereign right to levy whatever taxes she pleases and in such a way as best suits her purposes, asserts her right to interpret as she pleases the agreements by which she has entered the commercial union of nations, we must categorically deny it her, for this right belongs to none of the contracting parties. If moreover we admit her claim to subject foreign goods on which the full duty at the port of entry has been paid to such additional taxation as she may choose to impose, it is as if we allowed her the right to tax <u>ad libitum</u> foreign goods and virtually suppress foreign trade.

This is not warrant for omissi

Referring

referring to the transit question, the same Memorandum remarks:

"As regards transit inwards, foreigners have maintained that to say goods are exempted <u>en route</u> from a port to the place mentioned in the transit certificate is not enough. They have held that foreign goods which have once paid transit dues can not subsequently be called upon to pay any local charge whatever. To this interpretation we can not agree... In a word, as we understand the inward transit privilege, a certificate only protects goods from charges <u>en route</u> from port to place; but this is already a great privilege, for on payment of transit dues, the foreigner can

can at pleasure send his goods to any market however distant, without further liability to taxation."

This right of taxing foreign imports when they have become uncertificated cannot be admitted by foreign powers. It takes away nearly all the advantage of the transit pass system, and allows China to levy in very many cases likin on foreign imports to such extent as she sees fit and thus exclude them from the market.

The position held by foreign powers is that the transit dues once paid, the goods are free from all other inland taxation of whatever nature it may be. They have been willing to see this

transit

transit duty increased to 5%, but it must be the sole duty leviable from the moment the merchandize leaves the port of entry until it enters the consumers hands. "The duties once paid on goods at the port of discharge, their owners should have a right to carry them ~~to carry them~~ to the interior or wherever they liked, so that wherever found the presumption would be that the goods were there rightfully, and that the Customs officials were neither guilty of negligence or complicity in permitting them to pass duty free." (O. N. Denny. U.S. Consul Tientsin to Minister Seward No. 29 Dec. 21. 1879.)

In regard to native produce under transit pass outwards, the Memorandum says

says: "As regards native produce outwards, the case is just the same as with foreign merchandize inwards, the transactions differ, but the amount of the duty charged is the same: for, just as a foreigner can take foreign goods to any part of China on payment of a full and half duty, so he can go to any part of China and there take Chinese produce to a foreign country, on payment of a similar full and half duty."

But it must be born in mind that "the produce that is entitled to transit privilege can only be such produce as is intended for foreign export."

III.

The history of the negotiations between the Foreign Representatives at Peking and the Chinese Government in reference to the likin question are briefly as follows.

In 1876 the German Minister M. von Brandt brought up before the Tsungli Yamen the question of the right of China to levy likin within the foreign settlement of Shanghai (the only settlement at the time with defined limits) on foreign merchandize having paid regular duty prior to its being entered for transit. This was a right claimed by China on the ground that local authorities at each of the treaty ports were allowed to levy dues, and that foreign concessions at the several ports were still

still Chinese territory (Precis of conversation between M. v Brandt and the F.O. 17th June 1876)

The negotiations resulted in the Chinese Government agreeing that "From and after the 1st day of the 1st moon of the 3rd year Kuang Hsii (Feb. 13th 1877) no likin taxes should be levied upon bona fide foreign merchandize imported by foreign merchants within the limits of the foreign settlements at Shanghai, whether sold to Chinese or foreigners (Prince Kung to Minister Seward Dec. 12th 1876)

By this agreement it appears that China did not intend to relinquish her right to levy likin on opium within the limits of any of the settlements at treaty ports.

And

And she has exercised this right down to the present day with the approval and sanction on different occasions of the British and German Ministers (Art. XLVI British Treaty of Tientsin - Clause III Sec 3 Chefoo Convention - M. v. Brandt to T. O. 22nd day 10th month 2nd K. S.)

The issuance August 1885 by the Shanghai Consular Body of legitimation tickets to Likin runners has been a further acknowledgement on the part of the treaty powers of this right. The question has however, been again brought under discussion by the British Consular authorities asserting that the levy of likin on opium within the settlement was an infringement of treaty rights.

The new opium Convention between

between Great Britain and China will settle the question by the levy of a commutation tax of Hs 60 per chest (exclusive of Hs 30 import duty) which is to free the drug from all further taxation.

On March 20. 1877. Mr. von Brandt addressed a note to the Tsung-li Yamen in which he requests it:
1st to take the necessary steps in order that foreign goods conveyed into the interior without a transit pass, no other duties be levied than those which existed at the time of the conclusion of the treaty,
2nd to take care that in the district within the nearest Kuan (= customs station) in existence, no other duties be levied but the import duties.

To

To this note the Tsung-li Yamên replied on the 25th March 1877, stating that Article XXVIII of the English treaty of 1860 is observed by all treaty powers. This stipulates that if merchants, desiring to convey imports inland, pay a single duty (釐 shui) at the different secondary barriers (子口 tze kow), no further duties shall be levied. Under tze kou in the treaty all kuan (custom stations) and chia (卡 barriers) are to be understood. Consequently, if merchants do not desire to make the one payment, they must pay shui at every kuan and likin at every chia. Article I of the 1861 Regulations for open ports for 1861 also declares this. It is further said that goods to be conveyed inland, unless

valley provided with a duty certificate, must pay on the way likin and other duties.

As to the second demand of Mr. von Brandt, the Yamên states that nowhere in the treaties is it claimed that the limits of the port extend to the nearest Custom station.

Mr. von Brandt in his reply to this note (April 11th 1877) states that he does not wish to commence negotiations on the questions referred to, and that Germany would prefer to settle the question of the levying of taxes on foreign goods together with the other treaty powers by a joint arrangement with the Chinese Government.

On the 23rd of September 1879, the Diplomatic representatives of England Germany and the

the United States, Holland Peru, Italy, Japan, Russia Belgium, Spain and France held a meeting at Peking and decided to discuss in common with the Chinese Government the questions of likin taxes, the transit pass system, the judicial system and official intercourse. (Minister Seward to Secretary Evarts No. 482 Sept 24. 1879).

On the 22nd November 1879, the foreign Representatives presented to the Tsung-li Yamên a list of twenty grievances to which foreign trade was subjected. The grievances which have their source in the system of likin taxation are:
1st That taxes of different kinds are levied on foreign imports at some ports, as soon as they pass into native hands

hands.

2. That levies are made on foreign imports in the interior, which are not properly transit duties, or are in excess of the transit duties which were levied when the Treaties were made.

3. That at several of the open ports, inward transit passes are either not issued at all, or that the issue is fettered by arbitrary and unnecessary conditions.

4. That inward transit passes when issued at the port, are not respected in the interior of the Empire.

5. That foreign imports forwarded inland under transit passes are often vexatiously detained by the officers at the stations in order to extort illegal fees, or to further the interests of

Chinese

Chinese Guilds, who have made special arrangements with Chinese Collectorates or other Chinese offices.

6. That the protection of the transit duty certificate is denied to imports when they have passed the barrier nearest the inland market to which they may be consigned under the certificate.

7. That the exercise of the right of foreigners to visit the interior for purposes of trade is unfavorably affected by the want of proper regulations for the temporary storage or transport of their goods.

8. That all over the Empire, tax stations are constantly opened without due authority.

9. That the tariffs under which inland duties are

levied

levied are neither published nor for sale.

10. That very frequently no receipts are given for duties levied.

11. That officials guilty of levying illegal taxes are rarely if ever punished.

12. That the recovery of illegally levied duties, even if the fact itself be acknowledged by the Chinese Authorities is, if not impossible, at least very difficult, and, in the best case, attended with vexations and unnecessary delay.

13. That difficulties are frequently thrown in the way of foreigners asking for transit passes to bring down Chinese produce from the interior, and that, in many instances, such passes are either entirely refused

or

or granted under conditions arbitrarily imposed.

14. That on native produce, and especially on silk, duties are levied after sale, and before the goods are delivered to the purchaser, and that the levy of these duties is farmed out to certain companies which are enabled thereby to monopolize the trade in certain articles.

This list was followed on the 22nd December, by a note from H.B.M. Minister, Sir Thos. Wade, the Chairman of the Committee on Likin, requesting the Yamên to appoint a day for the discussion of the questions referred to in the list of grievances. The Yamên allowed the whole question to drag but finally replied that they begged the foreign

Representatives

Representatives to wait until they had answered the note of November 22nd 1879, before asking them to appoint a day for the discussion of the questions involved.

On the 19th January 1880, the Tsung-li Yamên sent its reply to the note of November 22nd 1879. The Yamên states that "More than half of the twenty grievances mentioned in Your Excellency's note refer to the collection of the duties and transit dues. This Yamên has three plans in mind upon the subject, 1.- The present regulations may be carried into effect. The High Provincial Authorities will, on the one hand, be instructed by this Yamên to direct their officials to act in good faith in obedience to them, and, on the other hand

hand your several Consular offices and merchants will be instructed by Your Excellencies to scrupulously obey them.

2. The regulations heretofore agreed upon between this Yamên and H.C. the British Minister, Sir Rutherford Alcock, may be put in force.

3. The stipulations in the several treaties that foreigners shall not be subject to Chinese Jurisdiction may be stricken out, and foreigners in China shall be subject to Chinese authority at all places and always and be dealt with as Chinese subjects.

On March 25th 1880, Minister Seward writes to Secretary Evarts (No 632) that no progress has been made in the negotiations.

"The

"The Foreign Representatives appear disposed to believe that the present moment is inopportune to press matters because of the assumed strength of the reactionary party." Mr. Seward thinks it better to proceed with the discussion and to draw away from it at a later moment, if it should seem necessary, for reasons to be advanced by the Representatives.

On the 9th of April 1880, the Tsung-li Yamên express their willingness to meet the Foreign Representatives whenever convenient, and the latter fix the 28th instant. At this meeting the Diplomatic Body stated the conference was not so much to define the intent of existing stipulations as to reach a basis

basis for further stipulations which would be satisfactory to both sides. The Yamên agreed to take up the conference on these lines. (Minister Seward to Secretary Evarts No. 665 April 23rd 1880)

H. B. M. Minister, Sir Thomas Wade, who had been chosen Chairman of the Committee on Likin, after several conferences with the Tsung-li Yamên on the question of the inland taxation of imports, reached the conclusion that China would be willing to assent to the imposition of a fixed duty (higher than the existing tariff) on the payment of which the goods imported would be exempted from all further taxes of every kind, no matter into what part of the Empire they might be

be carried. The rate of duty would probably be between 7½ and 12½ per cent.

Sir Thomas expressed however the fear that likin would nevertheless be laid to a greater or less extent on foreign goods as long as it should be laid on native goods. (Minister Angell to Secretary Evarts N°:58 Nov 25th 1880)

On the 13th December 1880, the Tsung-li Yamên wrote to Sir Thomas Wade and proposed that the duty on foreign imports be fixed at Tls 11.5 (11½ per cent). On the 4th January 1881, the Foreign Representatives rejected this proposition as unsatisfactory.

In the meanwhile the negotiations with the Yamên on the question of inland taxation of native produce

under

under transit pass outward was being conducted by Mr. von Brandt. He had suggested to his colleagues that the Chinkiang rules of 1877 be taken as a basis, and he drew up the amended scheme which was accepted as basis of discussion by the Yamên, who asked that time might be given them to refer the project to the High Provincial Authorities for their opinion on the questions.

On the 27th September 1880, the Tsungli Yamên sent Mr. von Brandt the above mentioned rules slightly amended but in an interview which the German Minister had with them on the 19th November, they announced that the opposition of the Provincial Authorities to Rules II and III, 1 and 2, was so strong

strong that they could not assent to them. The Foreign Representatives agreed however (November 22) to urge these rules on the Yamên in a slightly amended form which they drew up in a meeting held January 1st 1881.

Mr. von Brandt seemed to be on the verge of a tolerably satisfactory agreement with the Yamên, when suddenly the Yamên came forward with so important and unacceptable modifications that the Diplomatic Body in the meeting of July 1st 1884 agreed that it was useless to prolong negotiations on such a basis.

The Tsungli Yamên insisted on two concessions, 1st Foreign goods admitted free of duty, shipped coastwise, should pay Coast Trade duty

2nd

2nd Goods manufactured from native produce bought at the port should be subjected to the same restrictions as goods manufactured from produce brought down under transit pass.

While these negotiations between Mr. von Brandt and the Yamêns were going on, Sir Thomas Wade was busy with the likin question. On July 7 1881 he wrote to the Yamên that the Foreign Representatives could not accept the 10% import duty in lieu of likin, to which the Yamên had finally agreed, unless certain other provisions asked for in the collective note of the 22nd November 1879 were conceded. The Diplomatic Body was of opinion that if certain safeguards could be

be secured, it would have been worth the while to have tried as an experiment, say for five years, the scheme proposed. But it deemed it necessary to have some sort of Court of reclamation in which redress could have been claimed if liken had really been assessed." But it must be confessed, writes Thunder Angell to Secretary Blaine, (No 317, September 24th 1881) that it is very doubtful whether for some time to come the Government can prevent the levying of liken. The people hate the tax and would gladly be rid of it. But it is extremely convenient for the local authorities and the whole weight of the influence of the Provincial officials will be thrown in favor

favor of the continuance of it."

On August 1st 1881, the Tsung li Yamên answered Sir Thomas Wade's note of July 7th and stated that while they had agreed to the 10% duty, still, in view of the Foreign Representatives insisting on certain other provisions for the protection of trade in the collective note of the 22nd November 1879, any provisional experiment of the 10% duty scheme would be premature.

After this little or no progress was made in the negotiations. On September 18th 1881, Mr von Brandt writes to Prince Kung that he is willing to continue the negotiations, if they are carried on with a view of removing the Yamêns complaint

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as to the illegal use of transit passes outwards, and those of his colleagues and himself in regard to the illegal attempts of local authorities to ignore the stipulations of the treaties referring to the treatment of duty free foreign imports and native produce and the use or exportation of goods bought or manufactured in the port.

Under date September 29th 1881, Prince Kung replying to the above note laye down as a general principle that "neither liberties nor restrictions on trade, in as much as they have not been expressly stipulated in the treaties can simply ~~positively~~ be claimed by way of inference by the one or the other party, on the ground of unguided opinions, far from this, it is

is rather necessary that an agreement should be arrived at on the ground of mutual deliberation, before it is permitted to act accordingly" (Prince Kung to Mr. von Brandt September 29th 1881)

After this nothing of any importance has occured in the way of a settlement of the pending difficulties. Minister Young writing to Secretary Frelinghuysen under date June 18th 1884 (No. 462) remarks "The whole (transit pass) system sadly needs revision and readjustment, but it is too much to expect that the Government of China will take efficient measures to put an end to the violations of the treaties by the local officers in this direction, while it has a practical assurance that

that foreign Powers will no longer permit abuses of the privilege by their people."

Again Mr. Young under date August 6th 1881 (No: 492) writing to Secretary Frelinghuysen remarks: "The general question of likin concerns all interests in China, and must be a matter of joint action. I doubt if there will be any settlement until we have a new treaty, and one which will be unmistakeable as to all questions of manufacture and trade."

On the 30th September 1881, Mr. Secretary Frelinghuysen (No: 344) acknowledging Minister Young's despatch, No: 492, writes "In view of the long standing controversy as to likin . . . it certainly appears desirable that some conclusion shall

be

be reached which will remove the merits of the question from the domain of doubt.

"In case you find the way favorably open for the discussion of a special treaty engagement which shall concede what we have always claimed in the premises, you should use your good endeavors to promote such a result".

On April 27th 1885 the Diplomatic Body at Peking had a conference at which the transit trade system outwards was discussed, as well as the practice of levying taxes on foreign goods at the ports of entry for municipal and other purposes. The failure of the Chinese Government to observe treaty stipulations in these particulars was admitted, but

but as all communications hitherto made to the Yamên had produced no result, it was deemed best that the Representatives of all the foreign powers at Peking should refer to their respective Governments for instructions with a view of securing a modification of the present treaties or their more rigid enforcement. (Mr. Chargé d'Affairs ad int Smithers to Secretary Bayard No. 11 May 7 1885)

Summing up the results of six years negotiations between the Foreign Representatives at Peking and the Chinese Government, we find that with the exception of the more rigid observance of some of the treaty stipulations

in

in regard to transit passes, China has not abandoned one of the rights she has always claimed, and that under existing treaties nothing materially advantageous to foreign trade can be arrived at.

The recent opium convention between Great Britain and China by which a duty of Hs. 110 per chest of opium is to exempt the drug from all further taxation is a step in the way of the 10% duty on foreign goods proposed by the Conference in 1880. An opportunity will thus be afforded us, in case the arrangement comes into force, of ascertaining whether this system can prove a permanent solution of the likin difficulty.

The

The experience of late years teaches us that as long as the provincial governments of China are strongly opposed to a measure, the Central Government is not in a position to enforce it, and we know that any measure which will occasion a reduction in the revenues which they derive from likin has and always will meet with their determined opposition.

A partial solution of the difficulty might be the abolition throughout China of likin on miscellaneous goods, but, for the reasons offered above, this would very probably work in a most unsatisfactory manner, even if meeting with the full assent and aid of the Peking Government. This moreover

moreover, would be a concession to foreign trade greater than could be expected, for it would only foster foreign trade to the prejudice of the native one which would still be subject to the likein taxation.

The natural solution of the difficulty is in the adoption by China of western financial and commercial methods which will give that elasticity to her revenue system which it now utterly lacks at the present moment. Unless China adopts a liberal and progressive policy and putting aside some of her prejudices and dislike for ideas and methods of which she has not been the originator, freely takes from civilized nations the means which they can offer her

her of developing the natural resources of the land and increasing its wealth, all suggestions in the way of radically ameliorating her condition will prove useless.

All of which is respectfully submitted.

Charles Denby

Legation of the United States,
Peking December 10th 1885.

Inclosure 1

PROCLAMATION FOR LEVYING LEKIN ON KEROSENE OIL, AT CANTON.

A joint Proclamation issued for the knowledge of all men, by the Chief Bureau for Lekin taxes of the entire province of Kuang Tung; YAO, Provincial Treasurer of Kuang Tung; KUNG, Brevet rank of the second grade and Provincial Judge of Kuang Tung; CHOU, Brevet rank of the second grade and Salt Intendant of the two Kuangs, *i.e.* Kuang Tung and Kuang Si; CHOU, Brevet rank of Provincial Judge, Expectant Taotai and Acting Grain Intendant of Kuang Tung, and PÊNG an Expectant Taotai of Kuang Tung, sheweth:—

Whereas the Merchant Chang Shao Ying of "Tsi Ngan T'ang," *i.e.* "Hall of the Rescuer of Peace," has presented unto us a Petition stating that: "For the last preceding "years the money required for the sea Coast defences of Kuang Tung has always been "very considerable, hence many and various have been the means devised to meet the "demand. All goods have two kinds of Lekin levied on them, namely: one collected on "the spot and another on transit, and Merchants have always been glad to pay them and "thus assist War expenses. Opium has both a duty and a Lekin levied on it, to the end "that by excessive taxation the import of the drug may cease, owing to its pernicious "effects. Now Kerosene Oil, although not so harmful as Opium, still since its usage has "been greater every day, has been the means of greatly reducing the riches of China, in "that for the last few years the Native Oil business has been in a great measure decreased. "Through carelessness, Kerosene Oil will be combustible and the conflagration occasioned "thereby can be compared only to a great fire on the plains. This is a great bane. "Hence, if following the example of Opium a Lekin be added, the greater prices asked for "in the sale of the article, might be the means of stopping its circulation, and as a conse-"quence the Native Oil business will increase in the interior. In this way there will be "advantages for the people and also the extra Lekin will be an assistance to the Revenue

"of the country. The Petitioner also finds that Kerosene Oil is a foreign commodity and "is produced from the essence of Coal; hence its burning capability is strong and more- "over it also possesses certain poisonous qualities. The using it for Chinese Oil is really "productive of no advantage. Originally it was only consumed by foreigners, but now it "is extensively used in the interior owing to its giving a more brilliant light than other "Oils. Even the poorest localities burn Kerosene Oil and the whole country seems lighted "up with these lamps. It is even hawked about in the streets for sale. By its daily "increase of consumption the money accruing therefrom is very great. If, therefore a "Lekin of 1%* be levied on this Oil, there will be no great harm done. The Petition- "er has hitherto been a dealer in Foreign commodities, and hence has a full knowledge of "all things relating to them. He is desirous to assist the Lekin revenue by praying for a "monopoly for collecting Lekin on Kerosene Oil for the whole province of Kuang Tung, "following the method in the case of Opium, by levying an additional duty as Lekin. In "every tin of Kerosene Oil there are 25 catties of the stuff, and hence a Lekin of 20 cents "on each tin should be collected. Offices should be established to collect this Lekin, at "Canton, Chi Shui Mên and Ma Lui Chou; or with reference to the last two places these "offices may be merged in the Opium Lekin offices in those places. Offices should also "be established in the different Market Towns, who will report accordingly to the office at "Canton. The Petitioner prays that a trial of five years be given to this plan, commencing "from the time that this Petition be granted. He is willing to give a yearly contribution "of $30,000 @ 70 exchange. Intercallary months not included. On the granting of this "Petition he will, to commence with, give at once the contribution for the last quarter "of the first year, that is to say the sum of $7,500=Tls. 5,250. As for the rest, the "money will be contributed monthly. On the commencement of the first year be the "monopoly productive or otherwise the trial year must be gone through with, that is, the "contribution of $30,000 will be given in full. This then will give substance and since- "rity to the matter. Should this Petition be granted, the Petitioner prays that a Procla- "mation to that effect may be immediately issued, and that all the local authorities through-

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* NOTE.—The amount levied is 40 cents per case, which would be about 25 per cent on the value of Oil in Hongkong at the time the Proclamation was issued, instead of 1 per cent as stated.

"out the whole province of Kuang Tung may be notified of the fact and issue Proclama-
"tions accordingly, and also that a date may be fixed for the enforcement of the Lekin.
"When Kerosene Oil had no Lekin it naturally became extensively used, while Native
"Oils having Lekin became proportionally less used, this additional Lekin will serve to
"equalize things. Now the Lekin of 20 cents on a tin of Kerosene Oil is really very small
"and therefore will be harmless to both Merchants and people. If this Petition be accept-
"able or otherwise, the Petitioner prays that he may be duly notified accordingly. Also,
"should there be anything not yet thought of in the Petition, or if foreigners cease to
"import Kerosene Oil, then he is to be at liberty to withdraw his Petition. This should
"be clearly set out. The Petitioner has the honor to present in conjunction with this
"petition a cheque for $7,500=Tls. 5,250, for the Government Treasury, which amount
"is the contribution for the last quarter of the first year."

With reference to the above Petition we find that Kerosene Oil is imported from Foreign countries into the interior, and that Lekin has never yet been levied on it. Lately the Province of Kuang Tung has consumed largely of Kerosene Oil, and the consumption increases daily, thereby causing a considerable decrease in the sale of Native Oils, therefore, if it still be free from Lekin, the hearts of those who produce Native Oil will rise in rebellion. Now, the Petitioning Merchant is willing to contribute a yearly War tax of $30,000, and is also willing to make an additional sum of $1,000 to the sum already proposed, making thus a yearly contribution of $31,000=Tls. 21,700 for the privilege of farming the Lekin on Kerosene Oil. He also asks for a trial of five years, praying that his Petition be granted. We, Intendants of circuits and commissioners also find that, the regulations proposed by the said Merchant is in the main similar to those regulating the Opium Lekin and other Lekin regulations. Moreover the firms, which secure the yearly War tax in question, are all substantial and trustworthy, and we think that the tax of *one mace four candareens and four mills on each tin of Kerosene Oil weighing 25 catties is very reasonable.

The said Merchant has also signified his willingness to pay by monthly installments, and also in the case of intercallary months to pay an extra contribution, *pro rata*.

---

* Note.—This is the equivalent of 40 cents Mexican per case.

In consequence of this, therefore, we now grant his Petition by which an additional revenue may be secured. We have also reported the matter to the Viceroy of the two Kuangs, and have sent despatches to all the local authorities of the Province, stating that the said Merchant has been commissioned to collect Lekin on Kerosene Oil. We have also posted Proclamations to the like effect. All Merchants and people are therefore commanded to obey this Proclamation and must know that in the matter of collecting Lekin on Kerosene Oil the monopoly has been granted to the said Merchant.

Hereafter all men dealing in Kerosene Oil shall be required to give an accurate report of the quantity they have for sale and pay Lekin accordingly to the said Merchant. Nor are they allowed to smuggle the commodity or unlawfully attempt to prevent enforcement of this Proclamation. Any one guilty of these shall be punished accordingly, upon presentation of a petition by the said Merchant complaining of such acts. Moreover the said Merchant shall not be allowed to presume upon his commission by overbearing conduct in the pursuance of his duties.

Respect and do not disobey this Special Proclamation !

KUANG HSÜ, 8TH YEAR, 8TH MOON,
SEPTEMBER, 1882.

A true translation.

TSÊNG SPENCER LAISUN,
Interpreter.

Inclosure 2.

Provisional Rules.

I

For the issue and surrender of transit passes (outwards)

Rule 1.

All outward transit passes which have been issued before the 1880, and which shall not have been availed of for the purchase of produce and exchanged for a Transit certificate before the 31st day of December, 1880, will be forthwith cancelled by the Superintendent of Customs, and the corresponding Transit Certificates recalled; and all goods which the holders of such cancelled passes may attempt to bring down under them will be confiscated.

Similarly:- All Transit Passes issued subsequently to the 1880, and not used within one year from the date will be cancelled at the expiration of such year.

Rule

Rule II.

Henceforward all Transit Passes which may not have been availed of for the purchase of produce within one year from the date of issue will be forthwith cancelled by the Superintendent of Customs and the corresponding Transit certificate recalled and all goods which the holders of such cancelled passes may attempt to bring down under them will be confiscated. In any case of loss of a Transit Pass by theft or otherwise, the merchant to whom it was issued must report the loss at once to the Customs of the Port, that the pass may be cancelled and the corresponding Transit certificate recalled. For any unlawful use of such cancelled Transit Pass, after the loss has been reported, the original owner shall not be held responsible.

Rule III.

Produce purchased under Transit

Pass

Pass must arrive at the barrier nearest the port within six months (one year for Tientsin) from the date of the exchange of the Transit Pass for a Transit certificate, in default of so doing the goods will be liable to confiscation.

Should, however, produce be detained en route either by the action of barrier or other officials, by force majeure, or by unforseen accidents such as floods, rebels, or the like, and be unable in consequence, to arrive within the time allowed, the circumstances of such detention must be reported at once to the authorities on the spot and to the Superintendent of Customs at the port, who will grant such an extension of time as the circumstances of the case may require. The goods meanwhile will not be liable to confiscation, unless they fail to arrive at the port within the extended time allowed.

Rule IV

Rule IV.

On the arrival of the produce at the barrier nearest the port an application giving the full particulars of the packages and their contents must be sent in to the Commissioner of Customs, who will issue a permit to allow the goods declared to pass the last barrier. The produce on arriving at the port must be brought direct to the Customs jetty for examination and payment of Transit dues, which being done, the goods may be stored in the merchants godown.

Any merchant failing to comply with this rule, the goods will be liable to confiscation.

Rule V.

Produce brought from the interior under Transit Pass must be exported to a foreign port; or to another Treaty port for reshipment to a foreign port, within six months from the date of its arrival at the

port

port, except goods for the northern ports, for which the Customs authorities will grant the necessary extension of time. If the produce be not exported within the said period, the merchant shall pay to the Customs a sum equal to two and a half times the export duty, and be released from the obligation to export. When the produce is shipped to another Treaty port for subsequent reshipment to a foreign country, the merchant must produce a certificate from the Customs at the other port, to the effect that the goods have been shipped to a foreign country within twelve months of their arrival in that port, or in default, in addition to forfeiting the half duty deposited he shall pay to the Customs a sum equal to an additional export duty, and be released from the obligation to export.

Rule VI

A

A merchant desiring to repack, prior to shipment, the native ~~goods~~ produce which he has brought down under Transit Pass, must first make application to the Customs, who having verified the identity of the goods will issue a "Permit to Repack" and will depute an officer to repair to the godown and superintend the repacking.

Any unauthorized repacking of goods, or wilful alteration of their condition by the substitution or addition of other goods will render them liable to confiscation.

Rule VII.

In cases of alleged damage and deterioration in intrinsic value, sustained by goods while at a port, the Customs, on the application of the merchant, will depute an officer to examine the goods and appraise the actual amount of damage sustained. A deduction in the amount of export duty

payable

payable will be made in proportion to the ascertained damage, and should the merchant desired to be released from his obligations to export such damaged goods, his obligation will be cancelled on his paying to the Customs a sum equal to 2 and ½ times the diminished export duty.

Rule VIII.

Should a merchant be about to give up his business and leave the port, he shall return through his Consul for immediate cancellation all Transit Passes which have been taken out by him, and not yet used. Should there be at the time of his closing business any goods which have been already bought in the interior under Transit Pass or Passes taken out by him, but which have not yet arrived at the port, or which are awaiting shipment to a foreign country at this

this or another Treaty port, the person to whom such goods or the disposition thereof may be transferred will be held responsible for the observance of these rules.

Rule IX.

In all cases of fine or confiscation arising under these Rules, the same procedure will be followed which is laid down in the rules for joint investigation in cases of confiscation and fine by the Customs Authorities in 1868. If a fine awarded remains unpaid no new transit passes will be issued to the merchant and all passes already taken out by him may be cancelled by the Superintendent and the corresponding Transit Certificates recalled.

II

For the shipment coastwise of duty free native produce.

Rule

Duty

Duty free native produce carried coastwise pays no export duty at the port of shipment and, at the port of entry, coast trade duty the amount of which is declared to be 2½ per cent ad valorem.

III.

For the exportation of goods bought or manufactured in the port.

Rule I

Produce bought at the port pays on exportation no other duty than the export duty. As bought at the port all produce is to (be) considered not bought by a foreigner under transit pass from the interior.

Rule II.

Goods manufactured at the port from native produce brought from the interior under transit passes or otherwise shall pay no other duty on exportation than the export duty.

All

All the Rules under heads I/III to be provisional ones and to remain in force until denounced by one of the contracting parties when they shall cease to be in force, six months after the date on which notice was given.

G. F. Seward to Secretary Evarts. N°: 673.
May 1. 1880.

Coles memo and Mandl to Mr Cutler

DEPARTMENT OF STATE
FEB 18 1886
RECEIVED.

No. 58.

Mr Everts

Legation of the United States.

Peking, December 22nd 1885.

Colonel Denby to the

Secretary of State.

Subject.

The case of John P. Cowles Jr.

Synopsis.

Mr. Cowles claims reduction of duty on damaged exports. Chinese Customs refuse to concede it. Col. Denby wrote Yamên claiming that treaty stipulations provide for reduction on exports and imports. Yamên claims these apply only to imports. Will submit the matter again to Yamên.

One inclosure.-

No. 58.

Legation of the United States.
Peking, December 22nd 1886.

To the Honorable
Thomas F. Bayard
Secretary of State
Washington, D. C.

Sir:

I have the honor to report to you that I have received a letter from an American Merchant of Foochow, John P. Cowles Jr, in which he calls the attention of the Legation to the fact that, desiring to export damaged brick tea, the Customs had insisted on his paying the full

full export duty; after which he might move the authorities to get a refund proportionate to the deterioration.

Mr Cowles contended that Art XLIV of the British Treaty of Tientsin, which provides that "upon all damaged goods a fair reduction of duty shall be allowed proportionate to their deterioration", applied alike to imports and exports. The Chinese Customs, however, hold that imports alone are covered by the words "all damaged goods".

On the 13th instant I addressed a communication

to

to the Tsung li Yamên on the subject in which I quoted Art XLIV of the British Treaty of Tientsin, claimed its application to imports and exports, and requested that the Commissioners of Customs at the Treaty Ports be instructed to levy duties on damaged goods, imports and exports alike, on the value of the goods.

To this the Yamên replied under date of the 18th instant, stating that Art XLIV of the British Treaty of Tientsin can only apply to imports as the long journey by sea to which foreign

foreign goods are subjected
prior to their arrival in
China exposes them to
frequent deterioration, whereas
exports being only conveyed
a short distance before
exportation, do not suffer
damage. On these grounds
the Yamên refused to comply
with the request made in
my despatch of the 13th.

Mr Cowles desired
that a general order be given
which would relieve him
from having to pay full
duty on damaged exports
if he should desire to export
such a class of goods, whenever
therefore the request is made

to

to this Legation to obtain a refund of duties paid on damaged exports, I will again submit the whole question to the Tsung-li Yamên.

I have the honor to be,
Sir,
Your obedient servant,
Charles Denby

Inclosure -
1. Mr Cowles to Mr Denby
No. M 132/1885 Nov 25 1885.

Inclosure 1 in No. 58.

Dec. 5 No. 25/1885.

Hon'bl. Charles Denby
United States Minister
Peking.

Sir:

May I beg your kind action in the following matter, a question quite distinct from that of damaged brick tea on wreck of St. "Europe"

Art. XLIV of the British Treaty of Tientsin says "Upon "all damaged goods a fair "reduction of duty shall be "allowed proportionate to their "deterioration: If any disputes "arise they shall be settled "in the manner pointed out "in the clause of this treaty "having reference to articles which "pay duty ad valorem."

Asking the British Chargé d'Affairs Hon'bl. Hugh Cropton his idea of the intent of this article.

article he wrote me that he understood it to intend damaged exports as much as damaged imports.

But the Foreign Customs here take the ground that only damaged imports are covered by the words "all damaged goods", and that damaged goods, property of a foreign merchant, can claim no reduction of duty under this article when exported.

The Chinese text of the treaty reads "damaged goods of a foreign merchant." Now a Chinese up this River above Yenping makes brick tea. Three years ago some 70 piculs of his brick tea in running down the river to Foochow was damaged by fresh water so that I bought it for one fourth the price of sound brick tea.

Ashing

Asking at the Customs whether I could export this damaged brick tea (my property) at the proportionate reduction of duty the Commissioner of Customs said no; and he writing to Mr Hart for instruction in ex, received the reply that the proper was for an applicant to pay the duty demanded and then now his authorities to take measures to obtain a refund.

I do not wish there to first pay over to the Customs a full duty and then put you to the trouble of demanding a refund of three fourths under the Treaty Article quoted. I think if you independently, or through the Doyen, would now in advance obtain from the Yamên in writing an explicit declaration that this treaty article covers any damaged goods of a foreign

foreign merchant whether exports or imports, the Commissioner here on being shown such construction of the Tariff's would yield gracefully to the inevitable and allow me to pay duty reduced fairly in proportion to damage. I shall not make trouble about assessment so long as he concedes the principle, which, I think, can not, safely for the community at large, be surrendered.

If viewing the principle in the same way as did Honbl. Hon. Governor may I ask your kind early action

(Signed) John P. Cowles Jr.

file

DEPARTMENT OF STATE
MAR 3 1886
RECEIVED

Mr Everett

No. 59.

Legation of the United States.
Peking, December 29th 1885.

Colonel Denby to the
Secretary of State

Subject

Acknowledges receipt of dispatches
Nos 11 and 12.

No. 59.

Legation of the United States,
Peking, December 29th 1885.

To the Honorable
Thomas F. Bayard,
Secretary of State,
Washington, D. C.

Sir:

I have the honor to acknowledge the receipt of your dispatches Nos 11 and 12 of October 21st last together with their enclosures.

I have the honor to be,
Sir,
Your obedient servant,
Charles Denby

Mr. Everett
25



Seperate.

Legation of the United States.
Peking January 1st 1886.

Charles Denby Jr. (Second Secty) to the
Secretary of State.

Subject.

Transmits salary account etc
for quarter ending Dec. 31st 1885.

JM

One inclosure.

Seperate.

Legation of the United States.

Peking. January 1st 1886.

To the Honorable,

Thomas F. Bayard,

Secretary of State,

Washington, D.C.

Sir:

I have the honor to enclose herewith statement of my salary account for the quarter ending Dec. 31st 1885. Against this I have drawn my draft on Messrs. Brown Shipley & Co, London, in the usual way.

1 Sep.

I have the honor to be,

Sir, Your obedient servant,

Chas. Denby Jr.

Acting Secretary of Legation

Inclosure.

1. Statement of account with vouchers.

No. 60. 1 copy sent personally to Mr. Penny Belmont, Chin. Com. For. Off. March 6. 86.

DEPARTMENT OF STATE
MAR 3 1886
RECEIVED.

Mr Everett
9

Legation of the United States.

3rd ASSISTANT SECRETARY
Ack by Nic & file
MAR 6 1886

Peking, January 2nd 1886.

Colonel Denby to the
Secretary of State.

Subject.

Persecution of Christians in China

Synopsis.

There is no persecution. List of Missions. Little trouble in Shantung happily settled. The religious element among the Chinese weak. Outbreaks due to local causes and prejudice against all foreigners. Several free hospitals in China conducted by American Missionaries have not embarrassed Legation. Only danger that unscrupulous men may use riots in U.S. to our prejudice.

No. 60.

Legation of the United States,
Peking, January, 2nd 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington, D.C.

Sir:

I have the honor to report in answer to your dispatch No. 11, dated October 21st 1885, that since my arrival in China, I have had no information personal or official of any persecution of Christians.

There are in Peking three American Missions sustained

sustained respectively by the American Board of Congregational Foreign Missions, the Presbyterian Church and the Methodist Episcopal Church. There are also a Church of England Mission, a Russian Mission, and the Roman Catholic Church under French control has here four free churches, schools, convents, libraries and museums. Scattered over China various other organizations have Missions as do these at the Capital.

They may be enumerated as follows - The British and Foreign Bible Society, the

Church

Church Missionary Society, the Baptist Mission, the English Presbyterian Mission, the Wesleyan Mission, the Methodist New Connection Mission, the Church of England Mission, the National Bible Society of Peking, the China England Mission, the Canadian Presbyterian Mission, Society for the Promotion of Female Education in the East, United Presbyterian Church of Scotland, United Methodist Free Church, Irish Presbyterian Church, Church of Scotland and several unconnected. There are all British. The American Lave-

American

American Board Congregational
Foreign Mission, Baptist
Missionary Union, Protestant
Episcopal Mission, Presbyterian
Mission, Methodist Episcopal
Mission, Southern Baptist
Mission, Seventh Day Baptist
Mission, Methodist Episcopal
(South) Mission, American
reformed Mission, Woncan's
Union Mission, Southern
Presbyterian Mission, American
Bible Society.

Of Continental
Missions there are the Rhenish
Mission, the Basil Mission,
the Berlin Mission, the Berlin
Foundling Hospital at
Kowloon. There are other
Roman

Roman Catholic Missions, Schools and Colleges whose names are not accessible to me.

From this incomplete list it is easy to be seen that the ground of religious work is fully occupied. There are hundreds of ladies and gentlemen engaged in this pious labor. These Missions are well sustained by contributions at home. The Missionaries have comfortable houses, schools, churches, chapels and hospitals. I have not heard one word of complaint from them except the slight matter hereinafter detailed.

There

There is some hostility on the part chiefly of soldiers, and some of the literati, against all foreigners, which is sometimes developed in rudeness and insults on the streets. But religious worship seems to be as free here as anywhere.

There has been one little speck of trouble which was not even reported to me officially, but of which I learned from Mr. Bromley, Consul at Tientsin, and from private conversation with the missionaries. It seems that at Pang Chia in Shantung the practice has been for years to

to allow the villagers to haul the coal for the missionaries. In October, when the coal arrived by river, a new rule was adopted. The contract for hauling was let to one firm. This produced considerable irritation among the villagers. The difficulty was promoted by an old recalcitrant Christian who had, before that, been excluded from the Church for various misdeeds. He took advantage of this irritation on the part of the anti-monopolists to foment bad feeling. There were public meetings in the village at which denunciatory speeches were

were made against the missionaries. The missionaries applied to a neighboring magistrate for protection. He came to the village and heard the allegations of the villagers, and, as magistrates sometimes do in other countries was inclined to side with the larger number. He found nothing in the conduct of the villagers; but an energetic protest against monopoly. The missionaries then telegraphed to Mr. Brouley to secure an order from the Viceroy, Li Hung Chang, directing the magistrate to do his duty. This order was immediately granted

granted, and upon its
receipt by the magistrate
his whole disposition
changed. He arrested four of
the ring leaders in this
incipient riot. Three of them
made their "kotos" to the
Missionaries and were
graciously pardoned. The old
backslider received three
hundred bamboos, and was
besides confined, and is now
confined, in jail. Since then
there has been no trouble there or
anywhere else.

I may state the
result of my brief observation
on the general subject of
religious antagonisms in China.

The

The Chinese have no Sunday. If they ever attend their temples, which are mostly out of repair, it must be at rare intervals and on great festivals. The religious element being weak, indeed Confucianism is little more than a moral system, there is not much danger of persecution for religious causes. Local antipathies, dislike of all foreigners, a sentiment which a strong party in China assiduously cultivates, will sometimes result in disturbances. When any local irritation arises there are demagogues, turbulent

turbulent follow, and men belonging often to the literati, to take advantage of it and direct animosity against the foreigners, who in the interior are all missionaries.

My acquaintance with the missionaries has resulted in respect for their general conduct. They seem to have patience and tact and to refrain from interfering in matters outside of their religious and charitable duties. There are two Americans here, Dr. Atterbury and Mr. Corbett, who maintain free medical hospitals for the treatment

treatment of the poor. This is as elevated a form of charity as exists in the world. They are both quiet, honest, enthusiasts in the labor of doing good. They are respected and sustained by all classes foreigners as well as natives.

There are traditions in this Legation that the Missionaries have demanded of the Minister more consideration and interference than the facts warranted. Of course in the view of the Diplomatic Agent the Missionary is simply an American citizen, entitled to all the protection that the Government is bound and

and willing to bestow on all its people. Since my arrival here I freely say I have not seen any disposition to intrude doubtful claims, or to get up cases for the interference of the Legation, or to embarrass me in any form.

As I have said, owing to local causes, incidental outbreaks may occur. They occur in all countries notably in our own. My only dread is that unscrupulous partisans of other nations may endeavor to utilize our own riots at home to the injury of our citizens here. In this regard our

our safety will be that a
spirit of active hostility once
evoked against any western
nation will not stop in its
injurious course with any one
nation but will affect all
alike. This fear will restrain,
I hope, the appeal to
antagonism against our own
or any other nation.

I have the honor to be,
Sir,
Your obedient servant,
Charles Denby

W. Everett

DEPARTMENT OF STATE
MAR 2 1886
RECEIVED.

No 61.

Legation of the United States.
Peking, January 5th 1886.

Mr. Denby to the
Secretary of State

Subject.
Contingent Expenditure.

Synopsis.

Admiral draft drawn for above account to end of 1st Quarter 1886, and that draft herewith for same account will be drawn at commencement of each Quarter.

No 61.

Legation of the United States.

Peking, January 5th 1886.

Honorable Thomas F. Bayard.

Secretary of State

Washington, D.C.

Sir:—

I have the honor to inform you that, pursuant to Diplomatic instructions, paragraph 227, I have this day drawn my draft on the Government Bankers, London, for £41.1.11, sterling, to meet the contingent Expenses of this Legation for the Quarter ending the 31st March proximo.

I have the honor to further state that in accordance with the

S.

the provisions of the paragraph
referred to I shall draw
my drafts for the quarterly
allowance for contingent
expences at the commencement
of each Quarter in order to
have in hand Government
funds to meet the bills which
are generally presented at
the end of every month.

I have the honor to be,
&c,
Your Obedient Servant
Charles Denby

DEPARTMENT OF STATE
MAR 2 1886
RECEIVED.

No. 62.

Copy sent personally to Hon Perry Belmont Ch. Com. For. Aff. March 6. 86.

Mr Everett

Legation of the United States,

3RD ASSISTANT SECRETARY
Ack't as permitted with interest and
MAR 6 1886

Peking, January 8th 1886.

privately communicated to the Belmont to March 10. 86 Cn Sec

Colonel Denby to the

Secretary of State.

Subject.

Railroad projects in Asia.

Synopsis.

Details of operations of England Russia and France. Departure of Genl Wilson on a surveying tour to Chinkiang

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No. 62.

Legation of the United States.
Peking, January 8th 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington, D.C.

Sir:

The annexation of Burmah by Great Britain gives new interest to the railroad question in the far East and the establishment of overland trade routes with China.

Three great European nations have been gradually carrying their frontiers nearer to China. Russia has been pressing

pressing forward from the
north and west by annexing
the banks of the Amoor and
a large portion of Kirin
which makes her contermenous
with Corea, or which latter
country she is also supposed
to have designs, and by
the position she holds at
Kashgar and at several
other points in the west of
the New Dominion.

France comes next
in the field from the south
and hopes that she may
establish her supremacy in
Tonquin and open to her
commerce the Red River and
acquire the trade of western
China

China.

England, which seemed the last in the field, has by a bold stroke of policy assumed the foremost place and acquired by the annexation of Burmah the only trade route existing between Southern Asia and China, viz., the Irawady and Bhamo route, and makes still more probable the eventual building of a railroad connecting British India with China.

Russia in the meanwhile is pushing on at the rate of several miles a day her Central Asian railroads, which will

will shortly reach Merv and in the near future Kulajsa, thus greatly facilitating the defence of her immense frontier. But the project which concerns her ultimate prosperity most nearly, is the system of Central Asian Railways designed by Mon. de Lesseps. This line, destined to unite the extreme west of Asia with the extreme east, starts from Astrakan passes through Khiva, Bokhara and Samarcand into Chinese Turkestan, touches at Yarq-Kinar, Kashgar and Yarkand skirts Lake Lob and thence

Through

through outer Kansuh, down the Kan valley to find its terminus in Nuchang or Kaukow. The military Railroads already established or in construction by Russia are partly carrying out this gigantic scheme, and if the words of Tso Tsung Tang on the pressing necessity for China to establish in the near future a railway to her northwestern frontier be born in mind by China (See my despatch No. 17 of Oct. 16th 1883) this colonial railway system may be established sooner than we expect.

In this connection it

may

may interest the Department
to know that General James H
Wilson, who, at the request of
Li Hung Chang, has been
examining the country near
Tientsin in view of the
ultimate establishment of
railway communications, left
on the 23rd ultimo for Chunkiang
by way of the Grand Canal
to report on the practicability
and cost of a railroad
along this line and also
on the condition and necessary
work to be undertaken to
control the Yellow River.
General Wilson has with him
several able surveyors, and
was offered a military escort
by

by the Viceroy, which he however declined.

I have the honor to be,
Sir,
Your obedient servant,
Charles Denby

DEPARTMENT OF STATE
MAR 2 1886
RECEIVED.

No. 63. Ack'd by No. 7 file.

Mr Everett
5

Legation of the United States.
Peking January 8th 1886.

Colonel Denby to the
Secretary of State.

Subject.
New-year's call of the high
Chinese officials at the United
States Legation.

One inclosure.

No. 63.

Legation of the United States.
Peking, January 8th 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington D.C.

Sir:

I have the honor to inform you that yesterday afternoon the high Chinese officials, whose names and ranks are given in the enclosed list, called at this Legation to offer their congratulations and good wishes for the New Year. Prince Ching, the Chief Secretary of State

1/63

State for Foreign Affairs was absent, he having been granted leave on the death of his wife.

The Ministers called in three parties and were received by myself and staff together with Commander Kigginson and Ensign Atwater of the U.S.S. "Monocacy" now stationed at Tientsin.

A light collation was offered them of which they partook expressing many friendly wishes and their hope that the friendly relations which had always existed between the two countries might be still more strengthened

strengthened during the year now commencing. After a short conversation confined entirely to social topics, they took their leave to call on the other heads of Legations in the Capital.

I have the honor to be,
Sir,
Your obedient servant,
Charles Denby

Enclosure.
1. List of Chinese Ministers who called on the U.S. Minister Jan. 7th.

Enclosure 1 in No. 63.

List of Chinese Officials who called on the United States Minister January 7th to pay their New Years respects-

Lew Ching Ning, Grand Secretary of State, Member of the Grand Council, Chief Director of the Board of Revenue and Minister of the Tsungli Yamên.

Ke Kwei - Assistant Grand Secretary of State, President of the Board of Revenue and Minister of the Tsungli Yamên

Kwei Kang Shew - Member of the Grand Council, Vice President of the Board of Punishments and Minister of the Tsungli Yamên.

Kei Chew - President of the Board of Punishments and Minister of the Tsungli Yamên.

Kwei Yung I - Vice President

of

of the Board of Works and Minister of the Tsung-li Yamên.

Sun Yi Hsu - Member of the Grand Council, Vice-President of the Board of Works and Minister of the Tsung-li Yamên.

Lias Show Keng - Sub-Chancellor of the Grand Secretariat and Minister of the Tsung-li Yamên.

Kwei Chang - Sub-Director of the Court of Sacrificial Worship and Minister of the Tsung-li Yamên.

Shen Ping Chung - Governor of Peking and Minister of the Tsung-li Yamên.

Tau Tsu Yin - President of the Board of Works.

Lin Shu - President of the Board of Works.

Hu La Pu - Vice President of the Board of Works.

Kwei Chung - Vice President

of

of the Board of Works.
Kuo Tsung - President of the
Board of Civil Office, and
Chancellor of the College
of Literature.
Sung Kuei - Vice President
of the Board of Civil Office
Sun I Ching - Vice President
of the Board of Revenue.
Sun Chia Nai - Vice President
of the Board of Revenue
Pi Yao Yuen - President
of the Board of Ceremonies.
Ching Kuei - Vice President
of the Board of Ceremonies
Wu Hui - Vice President
of the Board of ceremonies.
Cheng Hua - Vice President
of the Board of ceremonies
Yao Nien - Vice President of
the Board of War.
Shih Tsung - Vice President
of the Board of War.
Chang Chih Wan - Member
of the Grand Council.

President

President of the Board of Punishments and Assistant Grand Secretary of State.
Kuei Chuan - Vice President of the Board of Punishment
Kuei Jun Sheng - Vice President of the Board of Punishment.
Kuei Jun - President of the Court of Censors.
Chih Yuan - Senior Vice-President of the Court of Censors.
Ying Kuei - Junior Vice-President of the Court of Censors.
Pei Kuan - Senior Vice-President of the Court of Censors.
Kuei Kang - President of the Mongolian Superintendency.

DEPARTMENT OF STATE
MAR 2 1886

No 64. One enclosure. Dec Fourth 37

Legation of the United States.
Peking, January 9th 1886.

Mr. Denby to the
Secretary of State.

Subject

Translation Salary Account
for Fourth Quarter 1885.

No 64. One Enclosure.

Legation of the United States.

Peking, January 9th 1886.

Honorable Thomas F. Bayard.

Secretary of State

Washington

Sir:—

I have the honor to transmit herewith my account for salary, for Quarter Ending the 31st of December, 1885.

I have the honor to be,

Sir

Your Obedient Servant

Charles Denby

1/64.

Enclosure 1.

Account as above

DEPARTMENT OF STATE
MAR 2 1886
RECEIVED.

W. Everett
3

No 65. one enclosure

Legation of the United States

Peking, January 9th 1886.

W. Brady to the

Secretary of State

Subject.

Secret Contingent

Expense account for

Fourth Quarter 1885.

WM

No 65. One Enclosure.

Legation of the United States.
Peking, January 9th 1886.

Honorable Thomas F. Bayard.
Secretary of State
Washington.

Sir:—

I have the honor to transmit herewith a statement of the Contingent Expenses of this Legation for the Quarter Ending the 31st of December 1885.

I have the honor to be,
Sir
Your Obedient Servant
Charles Denby

1/65.

Enclosure 1.
Statement as above.

DEPARTMENT OF STATE
MAR 2 1886
RECEIVED

No 66. One enclosure

Legation of the United States.

Peking, January 11th 1886.

Mr. Denby to the
Secretary of State

Report.

Francis' account
for losses by Exchange
up to 31st of December
1885.

No 66. One enclosure.

Legation of the United States.

Peking, January 11th, 1886.

Honorable Thomas F Bayard.

Secretary of State.

Washington.

Sir:—

I have the honor to hand you enclosed, my account for Losses by Exchange, up to the 31st ultimo against which I have drawn my draft on you in the usual way.

I have the honor to be,

Sir,

Your obedient Servant.

Charles Denby

Enclosure 1.

Account as above.

66.

file

DEPARTMENT OF STATE
MAR 2 1886
RECEIVED.

No. 67.

Mr Cornell

Legation of the United States,
Peking January 11th 1886.

Colonel Denby to the
Secretary of State.

Subject.

Acknowledges telegram of the
8th instant.

No. 67.

Legation of the United States,
Peking, January 11th, 1886.

To the Honorable
Thomas F. Bayard
Secretary of State,
Washington, D. C.

Sir:

I have the honor to confirm as follows your telegram of the 8th instant,

"Denby, Peking,

"Inform Finch there "teachers one married accept "Corean employment will "start forthwith if desired "and expenses and payment "guaranteed,"

Bayard"

I

I at once wired the above to Mr. Foulk at Seoul.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

No. 68. Acknd. Mem. and 2 pamphs. March 25 '86 Cr/Ster. ✓

DEPARTMENT OF STATE
MAR 18 1886
RECEIVED.

Wr.

Legation of the United States,
Peking January 13th 1886.

Colonel Denby to the
Secretary of State.

Subject

Presents an account for repairs to Government furniture.

3RD ASSISTANT SECRETARY

MAR 18 1886

Mr Kieckhoefer
+
Mr Everett.

I think we can approve the accounts for "repairs", less the "candelabra for reception room, $30.00" This however is approved separately, as a purchase. I am not sure whether the "Hall lamps" [$5.30] is a purchase or a repair. Straighten this out and let Mr. D. draw for the total.

aah

W.T.J.

One inclosure.

No. 68.

Legation of the United States,
Peking, January 13th, 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington, D.C.

Sir:

I take the liberty of
transmitting the enclosed
1/ bills for repairs to Government
68 furniture, and respectfully
ask that I be reimbursed
for the expenditures. They
amount to one hundred
sixty six 16/100 (166 16/100) dollars
Mexican. I make no charge
for the hundreds of dollars
that

W. Adee

When Mr Denby wrote this despatch he was not aware that the Department had allowed Legations for the purchase of furniture.

I would suggest that he be referred to the allowance and instructed to charge for the Candelabrum and Hall Lamp against the furniture fund, if they were actual purchases, but if they were not he should make it appear in his account for repairs that these charges are really for repairs

In advising him of the approval of charges for repairs please instruct him to render a separate account therefor and to draw for the amount. His vouchers should be supplemented by a Statement of the number of chairs he had covered for which a charge of $.44. is made.

Respy. F. J. K.

that I have spent in the purchase of furniture, glass-ware, beds, bedding, lamps, etc. But I found here many dilapidated chairs, sofas and tables which belong to the Government. Some were stowed away in outhouses, some were in kitchens. Nearly everything was either broken or worn out. My predecessors, Messrs Young and Smithers, had faithfully before my arrival, represented this furniture to be worthless. I went to work to repair the various articles and this bill, which is very moderate represents the

the amount paid. As the Government gets the benefit of these repairs I think they ought in justice to be paid for by the Government. My Reception Room, in which I receive Chinese and other officials is at least cheerful and decent in its appointments. I will turn over to my successor a house of which he need not be ashamed.

With regard to the two articles mentioned specifically in your despatch, No. 12 dated October 21st 1885, I have to say that the "Madonna after Raffaello" is in

in the Secretary's house. It is an engraving. The debris of the "child's crib" has also been discovered. It is all broken to pieces. The mattress is still "gone".

The offices are without carpets. I had to buy a stove. I will present an estimate for decent office furniture as soon as I can get the prices from Shanghai.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Inclosure

1. Statement of account for repairs to Government furniture.

Enclosure 1 in 68.

The United States Legation

Yo. P. Kienuffl Dr.

articles furnished to repair Government furniture

85. Oct. 10	Ck	Yo 1½ yds canvass	.95
" "	"	Yo 22 " crelonne	$5.50
" "	"	Yo 1½ " canvass	.98
" 21	2d	Yo 10 " red serge for sofa and chairs	$20.00
" "	"	Yo castors	$1.50
Nov. 4	Ck	Yo 5½ yds. crelonne	$5.50
" 7	Ck	Yo 10 " "	$6.50
" 17	Ck	Yo 1 " serge	$2.00
" 18	Ck	Yo 2 pr. braces	$2.25
Dec. 1	Ck	Yo 1 pkg.	.15
" 2	Ord	Yo 1 candelabra for reception room.	$30.00
" "	"	Yo new lamp burners for lamps	$2.00
" 3	Ck	Yo 1 set castors for chair	.30
" 4	Ck	Yo 4 yds. muslin for lounge	.50
" 5	Ck	Yo 5 " blue ticking " "	$3.25
" 15	Ck	Yo 4 rollers for chairs	$1.25
" "	"	Yo 1 pr. springs for chair	.35
" 31	Ck	Yo 3 stove pipings	$1.50
86 Jan. 1	Ck	Yo 1 section stove piping	.50
			$92.36

Received Payment from Charles Denby

January 1 Ck 1886

F. Kienuffl

duplicate

The United States Legation

To Chang Sung Chi Dr.

for articles furnished and work done to repair Government furniture.

'85 Oct 14th	To covering chairs	$2.50
" "	To repairing stove	$2.00
" 22d	To Hall Lamp	$3.30
" 19th	To repairing stove	$4.00
" 31st	To mending tables	$4.00
Nov. 13th	To covering chairs	$44.00
" "	To " mattress	$6.00
" "	To cloth for "	$1.50
" "	To covering sofa	$3.50
" "	To repairing bedstead	$1.00
		$73.80

Received payment from Charles Denby Jan 1 1886

張森記收

Received Payment from Charles Denby
January 1st 1886

Confidential. Wm Everett

No. 69 Answ. March 20. civil

DEPARTMENT OF STATE
MAR 18 1886
RECEIVED.

Legation of the United States,
Peking January 11th 1886.

Colonel Denby to the
Secretary of State.

Subject.

Interview with the Tsungli Yamên

Synopsis.

Col. Denby enquires as to alleged attacks on Americans in connection with the railroad question. Discusses that question from American standpoint. Yamên denies that anyone has criticized Americans in that behalf. Yamên expresses pleasure at the sending of Military Instructors to Korea and hopes that they are good men.

Confidential.

No. 69.

Legation of the United States.
Peking, January 11th 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington D. C.

Sir:

I have the honor to report that I called on the Tsungli Yamên yesterday with Captains Higginson and Ensign Atwater. These gentlemen are officers of the United States Man-of-War "Monocacy" which is now stationed at Tientsin. We were received in a very

very friendly manner by
His Highness Prince Ching
and their Excellencies.
After some pleasant
conversation on ordinary
topics, I broached a subject
about which for some time
I have desired to talk to
the Yamên. I have not
been able to do so hitherto
on account of the absence
of Prince Ching, caused by
the death of his wife. I
said to the Prince that
I had heard from various
sources that Mr von Brandt,
the German Minister, had
appeared before the Yamên
and had complained that

Americans

Americans were being employed in Railroad enterprises in China. I had also understood that Mr von Brandt had advised the Yamen not to enter upon the construction of Rail-roads at this time. The Prince denied that Mr. von Brandt had made such representations. I stated that I was very glad to learn that I was mistaken; that I regarded it as my duty to answer any attack made from any source on Americans. I further stated that our treaty provided that we would on the request of China

China, furnish enquiries to
build Railroads, and that
it would afford me great
pleasure at any time to
advise the Yamên on that
subject and to carry out
the treaty. I further asked
leave to make a few
observations on the general
question. I stated that
the United States was
about the size of China,
that we had built nearly,
if not quite, one hundred
and twenty six thousand
English miles of Rail Roads,
which were equal to three
hundred and seventy eight
thousand Chinese miles,
that

that this mileage was probably equal to that of all other countries. I further stated that we had the best and most experienced engineers in the world; that owing to the vast distances in the two countries, China and our own, our system was perfectly adapted to China. I further stated that I had understood that Mr von Brandt had argued before the Yamên that Rail Roads would not pay at this time. That it might be true that new lines would not pay dividends immediately to their

their shareholders, but that experience in India was that the value of property had been increased thrice fold, and this experience was general wherever Rail-Roads had been constructed. His Highness again assured me that Mr. von Brandt had not made the observations imputed to him, but that the people of China were at present opposed to building Rail Roads. I am bound to take as true the statements of the Prince. But my information was not derived simply from the papers, which are full of it, but also from one of my

my colleagues, and from a confidential adviser of Li Kung Chang. It tallied also with a discussion which I, myself, had with Mr. von Brandt, in which he advanced nearly the same ideas, and which I combatted to the best of my ability. There is vast opposition to the building of Rail Roads, coming chiefly from the Censor and the Board of Revenue. Officially I have nothing to do with the question, but personally, in conversation with Chinese Officials, I have endeavored to show the advantages of Rail-Roads.

I

I have also done what I could individually to assist Lieut Jas. K. Wilson, who is the only American in China who has done anything practical. He surveyed a line from Tsau to Tientsin, and reported the route cost etc to the Viceroy Li. He left Tientsin for Chinkiang and the Yellow River, the 23rd of December last. He will report to the Viceroy on his return.

I also informed the Prince and their Excellencies that the United States would send three military instructors

instructors to Korea. The Prince expressed himself as highly gratified and said that is what China has long wanted. He then asked me if I knew the officers who are coming. I replied that I had not learned their names. On his expressing the hope that they were good men I assured him that no doubt they were thoroughly qualified and were men of good character and habits. I am satisfied that the Department realizes, as I do, the absolute necessity of sending to the East men, who in their habits

habits and capacity, are above reproach. There are so few foreigners here, their dress is so marked, that every thing they do is known and criticized, not only by the natives but by other foreigners. A country is judged by its representatives. I find that the officials thoroughly know the character of all Americans who have been in China.

I have marked this despatch for obvious reasons confidential.

I have the honor to be, Sir,

Your)

Your obedient servant,

Charles Denby.

DEPARTMENT OF STATE
MAR 18 1886
RECEIVED.

No 70. One enclosure. Mr Everett 19

Call his attention to Art. XII of Pers' Inst. especially $120 +125.

Legation of the United States.

Peking, January 16th. 1886.

Mr. Denby to the Secretary of State

Subject

Transmits Return of Passports for the year 1885.

No 70. One enclosure.

Legation of the United States.
Peking, January 16th 1886.

Honorable Thomas F. Bayard,
Secretary of State.
Washington.

Sir:—

I have the honor to transmit herewith, a statement
1/70 of the Passports issued by this Legation, during the past year. The fees for same, will be credited to the Government in my account for Contingent Expenses for the Current Quarter.

I have the honor to be
Sir
Your Obedient Servant
Charles Denby

Enclosure 1. Statement as above.

7th J. 16

Return of Passports issued

No.	Name	Date	State or Country	Age
453	Gilbert Reid	January 17		27
454	James H Roberts	" 20		33½
455	Watson M Hayes	April 9		27
456	S. J. Woodbridge	" 15		25
457	Marcus L Luff	May 8		34
458	John R Hykes	June 15		33
459	W. P. Chelfant	September 7		35
460	A. P. Peck	" 16		38
461	Emma Young	" 17		23
462	John Butler	October 7		48
463	E. H. Smith	" 14		36
464	Charles R Hager	" 26		33
465	Leonard W. Kip	" "		47

Total 13 Passports @ $5

Legation of the United States
Peking December 31st 1885

during the year 1885.

Height	Eyes	Nose	Hair	Face	Complexion
6. 1¼	Black		Black	Square	Dark
5. 11¾	Blue	Straight	Brown	Oval	Light
5. 9½	Blue	Regular	Light	Square	Fair
5. 5	Dark	Medium	Black		Darkish
5. 4	Hazel	Straight	Black	Full	Slightly dark
5. 11½	Brown	Prominent	Brown	Oval	Florid
6. -	Blue	Large	Sandy	Long	Fair
5. 9	Blue	Straight	Brown	Long	Light
5. 4	Hazel	Medium	Dark auburn	Oval	Fair
5. 5	Grey	Medium	Dark Grey		Dark
5. 10	Blue	Straight	Brown & slightly grey		Light
5. 10	Dark Grey	Medium	Dark brown	Round	Dark
5. 10	Grey	Straight	Light brown		Light

Each - #65 -

Charles Denby

United States Minister

file

DEPARTMENT OF STATE
MAR 18 1886
RECEIVED.

Mr Everett
19

No. 71.

Legation of the United States,
Peking, January 18th 1886.

Colonel Denby to the
Secretary of State.

Subject.

Acknowledges despatches.

No. 71.

Legation of the United States,
Peking, January 18th 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington, D.C.

Sir:

I have the honor to acknowledge the receipt of your despatches numbered 13 to 17 inclusive.

I have the honor to be,
Sir,
Your obedient servant,
Charles Denby

Mr. Everett 25

Separate. one enclosure

DEPARTMENT OF STATE
MAR 25 1886
RECEIVED

Legation of the United States.

Peking, January 26th 1886.

Wm. F. D. Bunker

to the

Secretary of State.

Subject.

Financial Account

for Loans by Exchange

for the year 1885.

No.

Separate. One enclosure.

Legation of the United States,
Peking, January 26th, 1886.

Honorable Thomas F. Bayard,
Secretary of State,
Washington.

Sir:—

Referring to my despatch of this date, forwarding my account for salary, for fourth Quarter 1885, I have the honor to transmit herewith, a separate account for loss by Exchange on salary drafts drawn by me during the year 1885.

I have drawn upon you in the usual course, for the amount thus shown to be due me, and beg that my draft will be duly honored upon presentation.

I have the honor to be,
Sir,
Your Obedient Servant
F. D. Chesebro'.

Enclosure 1.
Account as above.

Mr. Everett
25

DEPARTMENT OF STATE
MAR 25 1886
RECEIVED.

Separate. One enclosure.

Legation of the United States.
Peking, January 26th 1886.

W. F. D. Shedden
to the
Secretary of State

Subject

Transmits Salary Account
for the Fourth Quarter 1885.

No 1

Dispatch. One enclosure.

Legation of the United States
Peking, January 26th 1886.

Hon: Thomas F. Bayard
Secretary of State
Washington.

Sir:—

I have the honor to transmit herewith a statement of my Salary Account for the Fourth Quarter 1885.

I have the honor to be,
Sir,
Your Obedient Servant
F D Chevalier

Enclosure 1. Transmit as above.

Mr Everett ~~Mr. St. Clair~~

file

No. 72.

DEPARTMENT OF STATE
MAR 25 1886
RECEIVED.

Legation of the United States,
Peking, February 6th 1886.

Colonel Denby to the
Secretary of State.

Subject

Acknowledging receipt dispatches.

No. 72.

Legation of the United States,
Peking, February 6th 1886.

To the Honorable
Thomas F. Bayard
Secretary of State
Washington, D.C.

Sir:

I have the honor to acknowledge the receipt of your dispatches No.s 18 to 25 inclusive and Department Circulars of Nov. 25th and Dec. 10th relative to the death of Vice-President Hendricks and requesting information on China's dependencies respectively.

I

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

file Mr. Everett 25

DEPARTMENT OF STATE
MAR 25 1886
RECEIVED.

No. 73.

Legation of the United States,
Peking, February 6th 1886.

3rd ASSISTANT SECRETARY
Ack by No. + file.
MAR 25 1886

Colonel Denby to the
Secretary of State.

Subject.

Proposed tax at Niuchwang for construction of a Bund.

Synopsis.

Col. Denby has notified the Doyen of the Diplomatic Corps that he consents to the tax. An additional reason being that private wharfs will otherwise be constructed and charge made for their use.

No. 73.

Legation of the United States.
Peking, February 6th 1886.

To to the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington, D.C.

Sir:

In further acknowledgement of your dispatch, No. 24, relative to the proposed tax on tea and opium for the construction of a road at Ningpo, I have the honor to state that upon consideration of your views I became satisfied that they are correct. I have accordingly notified the Dean

of

of the Diplomatic Corps that I will consent to the proposed export tax on tea. The British Chargé d'Affaires on whose people the tax falls heaviest is very anxious that the proposed scheme be carried out. It was strongly recommended by Consul Stevens. As an alternative, as I have since learned, private wharfs will be constructed and the charge for their use will exceed probably the proposed tax.

For this reason, and the cogent reasons stated by you, I have agreed to the proposed scheme.

I have the honor to be, Sir,
Your obedient servant, Chas. Denby

file

Mr. Everett

DEPARTMENT OF STATE
MAR 25 1886
RECEIVED.

25

No. 74.

Legation of the United States.

Pekin, February 6th 1886.

3RD ASSISTANT SECRETARY
Act by No. 4 file
MAR 25 1886

Colonel Denby to the
Secretary of State.

Subject.

The Transfer of Corea to this jurisdiction

No. 74.

Legation of the United States.
Peking, February 6th 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington D.C.

Sir:

In further acknowledgement of your dispatch No. 19 I have the honor to state that should the Viceroy Li again address me on the subject of placing Corea within this jurisdiction I will inform him that under the views of the Department such step is not advisable.

I

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

file

Mr. Everett
25

DEPARTMENT OF STATE
MAR 25 1886
RECEIVED.

No. 75.

Legation of the United States.

Peking. February 6th 1886.

3RD ASSISTANT SECRETARY
Ack'd by No. 7 file
MAR 25 1886

Colonel Denby to the

Secretary of State.

Subject.

Proposed tour of the Consulates.

Synopsis.

Expresses thanks for leave granted.
Asst Consul General has suggested revision
of Court Rules. Doubts propriety of
abolishing security for costs in suits.
Expression of pleasure that a U.S.
Judiciary is to be established in
Eastern Countries. General statement of
purpose of tour. Expenses and limitation
thereof to travelling expenses.

No. 75.

Legation of the United States.
Peking, February 6th 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington, D.C.

Sir:

In further acknowledgement of your dispatch, No. 20, granting me leave of absence from Peking for sixty days to enable me to visit the various Consulates I have the honor to express thanks for the privilege so granted, and especially for the gracious wording of the matters therein contained

continued.

The Statutes provide that with the advice of Counsels the Minister may enact or amend Court Rules. I think I can amend them better after personal consultation with the Counsels, wherein the practical defects can be directly brought to my attention. The acting Crown General has written me a lengthy communication asking me to revise the Rules generally. He particularly recommends the adoption of some summary mode of collection of debts under $100.00, and the abrogation of the rule requiring security for

for costs in small cases,
and the payment of $2
fee for a summons instead.
I doubt the propriety of
changing the rule as to
security for costs. To throw
on the Councils the immense
labor which the uncivilized
right to bring suits would
entail does not seem to me
to be advisable. He had
considerable experience in
Indiana after the war when
there was an immense influx of colored
people who revelled in the
new luxury of suing each
other and white people
without incurring any
liability when defeated. I
have

have also had some quasi private letters complaining of costs charged in certain cases.

I am glad to see the Administration favors the establishment of an independent American Judiciary in the eastern countries. The present system is unsatisfactory to litigants, has no moral weight, takes up a great deal of the Counsel's time, creates bad feeling against the Consul and, for its successful conduct, demands a Consular Force composed of lawyers exclusively. The main business of the Consul being

being of a mercantile character it would seem that merchants should not be excluded from the Consular offices. The Minister being an Appellate Court under the present system must necessarily be familiar with the laws in order to discharge his duties properly. I shall therefore be very glad to be relieved "of a "part of the investigation "of the extra-territorial function."

Under the further statements of your dispatch as to the probable organization of a system of Consular inspection I shall

shall not make "any rigid "examination of details of "business transactions." I shall see the Consuls, all American citizens, leading citizens of other nationalities and Chinese officials. I shall fully enquire into the condition and treatment of Americans, the condition of trade and commerce, questions of compensation and fees, Court procedures and practice, the feeling as regards Missionaries, Christians, &c, &c.

In the matter of expenses I shall keep within the rules you lay down for my guidance. I am sure you will

will be satisfied with their moderation.

Navigation opens about the middle of March. The "Monocacy" is now at Tientsin waiting to convey me. I will notify the Department when I leave.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

file

Mr. Everett



25

No. 76.

Legation of the United States.
Peking, February 6th 1886.

Colonel Denby to the
Secretary of State.

Subject.

Circular as to death of
Vice-President Hendricks received.

No. 76.

Legation of the United States.
Peking February 6th 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington D.C.

Sir:

I have the honor to acknowledge the receipt of your Circular bearing date November 25th 1885 announcing the death of Thomas A. Hendricks, Vice-President of the United States, and ordering the flags of the various Legations to be displayed at half mast for thirty

thirty days and the
assumption of the usual
symbols of mourning.

I shall strictly comply
with these orders thereby
showing respect to the memory
of one whom I regarded as a
good and great man.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Mr. Everett 25

DEPARTMENT OF STATE
MAR 25 1886
RECEIVED.

No. 77.

Legation of the United States.
Peking. February 6th 1886.

Colonel Denby to the
Secretary of State.

Subject.
Exequatur of Consul Franklin
sent to Consul General.

Noted
SF

thirty days and the
assumption of the usual
symbols of mourning.

I shall strictly comply
with these orders thereby
showing respect to the memory
of one whom I regarded as a
good and great man.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Mr. Everett 25

DEPARTMENT OF STATE
MAR 25 1886
RECEIVED.

No. 77.

Legation of the United States,
Peking, February 6th 1886.

Colonel Denby to the
Secretary of State.

Subject.
Exequatur of Consul Franklin
sent to Consul General.

Noted
8th

No. 77.

Legation of the United States.
Peking, February 6th 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State.
Washington. D.C.

Sir:

In further acknowledgement of your dispatch No. 18 I have the honor to say that I have obtained Mr. Franklin's exequatur as Consul of the United States at Kaukow and have apprised him thereof through the Consulate General at Shanghai.

I have the honor to be, Sir.
Your obedient servant,
Charles Denby

DEPARTMENT OF STATE
APR 7 1886
RECEIVED.

No. 78.

Legation of the United States.

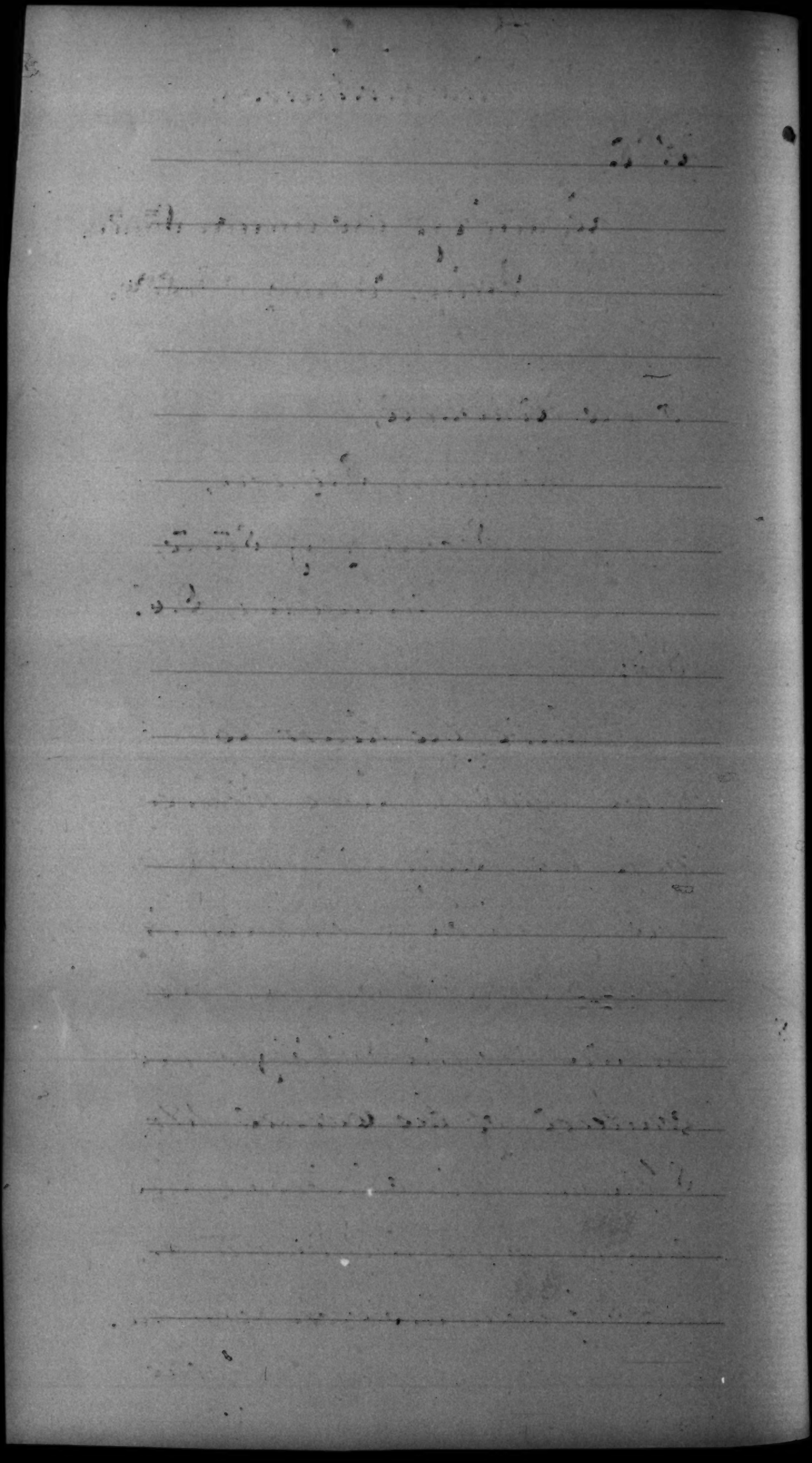
3RD ASSISTANT SECRETARY
dupl. mons rec'd
apr 10 86.
APR 9 1886

Peking, February 9th 1886.

Colonel Denby to the
Secretary of State.

Subject.

Criticism of Yamên on certain passports issued by Mr. Shepard.



Two enclosures.

No. 78.

Legation of the United States.
Peking, February 9th 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington, D.C.

Sir:

I have the honor to report that I have received from the Tsungli Yamên a note of which a translation is enclosed herewith. The Yamên therein criticizes the conduct of the Consul, Mr. Shepard. This criticism has ceased to be important as Mr. Shepard has been removed.

1/78

The

The Yamên further suggests that applications for passports should specify "the route to "be taken and the places "of destination in order that "the local officers may be "prepared to assist and "protect the Traveller."

While unwilling to seem to curtail the right of Americans to travel anywhere in China, I have followed the practice of this Legation and specified the Provinces in which applicants in each particular case desired to Travel. It is understood that on application to the local authorities

authorities the number of provinces can be at any time increased.

I enclose herewith a copy of my answer to the note refered to.

I have the honor to be,

Sir,

Your obedient servant.

Charles Denby

Enclosures.

1. Tsung-li Yamên to Col. Denby a note Feb. 2nd 1886.
2. Col. Denby to the Tsung-li Yamên a note Feb. 6th 1886.

Enclosure 1 in No. 78.

A note—

The Foreign Office

to Mr. Denby,

Peking, February 2nd 1886.

Your Excellency:

We have the honor to inform your Excellency that we have been favored in receipt of a communication from the Governor General of the Hu Kuang Provinces to effect that the Taotai of the Kan Kuang Tê Circuit Yu Chen reported that on the 12th day of the 11th Moon of the 11th year of Kuang Sü he received an official communication from the United States Consul at Kankow, Mr. Shephard, transmitting passports issued to Dr Cross and Mr. Lewis available for the purposes of travelling in the 18 Provinces and requested that these

documents

documents be visaed. The Intendant at the time replied to Mr. Shepard requesting him to state clearly the places the applicants wanted to travel in and to make out other passports to the end that it could be convenient for him to stamp them. He afterwards received a communication (from Mr. Shepard) who stated that it seemed, from the circumstances, a prohibition against American Citizens coming to China from travelling in the Interior, and that the treaty seemed to be regarded (by the Intendant) as so much waste paper; that he had issued passports to the gentlemen named permitting them to travel in the Interior and in the event of their being insulted or maltreated

or

or in case their baggage was lost or such like things happening he stated that a claim for reparation could not be avoided and that the high officers of the two countries would have a case for joint consideration &c,. The Yamên is requested to address you officially in the matter.

We would observe that on the 13th of July 1882 the Yamên sent a circular dispatch to all the Diplomatic Representatives at Peking that when foreigners travel in the interior of China the route to be taken and the places of destination should all be clearly specified in the passports in order that the local officers may be prepared to assist and protect the traveller. The practice followed in recent years

years had been (in some instances) to add in the passport the whole of the eighteen provinces, and a want of control in such cases has been the inevitable result and in issuing passports in the future they should declare clearly and minutely the places the traveller intended to go and it may then be hoped that the (local officers) may be able to fulfill their duty in protecting, and assisting travellers and thus bring about good results. This is on record.

To this Mr. Chargé d'Affairs Holcombe replied that under the law of the United States passports issued by the United States are good for two years only and they have been made good for me in some

three

three or four provinces as specified by the person applying for them. This is also on record.

Now in the present case Mr. Consul Shepard in inserting in the passport issued to Dr. Crew and Mr. Lewis the words "Eighteen Provinces" is decidedly in violation of the existing regulations and further in not waiting until the passports were visaed by the Chinese Officer to issue them to the applicants for the purpose of travel, and to have used such unreasonable language appears to be a violation of treaty and unseemly behaviour which was decidedly quite unexpected, and we therefore beg that Your Excellency will instruct Mr. Consul Shepard that he must

must adhere to the regulations in future and not act arbitrarily according to his own wishes so that protection to travellers may be made easy and friendly relations be strengthened.

Enclosure 2 in No. 78.

Translation.

Legation of the United States.
Peking, February 6th 1886.

Y.C.

I have the honor to acknowledge the receipt of Y.C. note of the 2d instant having relation to the passports applied for by Mr. Crawford Chapman at Canton for Dr. Brown and Mr. Lewis.

Previous to receiving Y.C. note I transmitted to the Yamen ten passports for the above named gentlemen, available for the Provinces of Kwangtung, Kwangsi, Hupeh, Kiangsi and Kiangsu, which were duly visèd and returned to me on the 22d of January.

I recognize the rule adopted and followed by the Yamen as stated in Y.C. note, and I have faithfully complied with it.

Mr. Chapman's successor

(he

(I am writing from memory)
Mr. Gallatin will be instructed
in reference to the rule
adopted by the Government relative
to Passports.

I have the honor

&c &c &c

Charles Denby

file

DEPARTMENT OF STATE
APR 7 1886
RECEIVED.

No. 79.

Wm Everett

Legation of the United States.

Peking, February 9th 1886.

Colonel Denby to the

Secretary of State.

Subject.

Acknowledges receipt of certain pamphlets.

No. 79.

Legation of the United States.

Peking, February 9th 1886.

To the Honorable,

Thomas F. Bayard,

Secretary of State,

Washington D.C.

Sir:

I have the honor to acknowledge the receipt of pamphlets as follows viz.

Report of Director of the Mint,

Report of Secretary of Interior,

United States Consular Report,

Presidents Message in duplicate,

Monthly Weather Review for Sept.

I have the honor to be,

Sir,

Your obedient servant

Charles Denby

Inform Mr Campbell

Mr Everett



No. 80.

Inform Mr Campbell. ap-9-86. cir[illegible]

Legation of the United States,
Peking, February 9th, 1886.

Colonel Dealy to the
Secretary of State.

Subject
Manchurian ginseng.

Synopsis.

It is not cultivated and
no seed can be procured.

No. 80.

Legation of the United States.
Peking, February 9th, 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington, D.C.

Sir:

In reply to your dispatch, No. 21, requesting me to procure a small quantity of the seed of the Manchurian ginseng for Hon. James E. Campbell, I have the honor to say that this article is not cultivated. It is a root growing wild in Manchuria. It is a Government monopoly and is

is gathered by soldiers detailed for the purpose.

A proposition to cultivate it has been described in the Pen Tsao a Chinese publication. But if it ever was cultivated the cultivation has been abandoned. No seed therefore can be procured. There are some spurious substitutes which are cultivated in Japan and in some parts of China. They are called Tangsan, or Bastard Ginseng, and Kiuen-san Hakuan, or Black Ginseng. The real ginseng grows only in Manchuria, but an excellent

article

article grows in Corea. It formerly grew at various places in China, but has been exhausted. The Archives of this Legation (Mr. Young to Mr. Frelinghuysen No. 500 Sept 2nd 1884) show that the subject of ginseng has been fully treated, otherwise I should write more at length as American ginseng enters considerably into the trade of southern Indiana, Kentucky, and other States.

I have to express my regrets that I cannot comply with Mr. Campbell's request.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

DEPARTMENT OF STATE
APR 7 1886
RECEIVED.

mr Everett
9

No. 81.

Legation of the United States.

Peking, February 9th, 1886.

3RD ASSISTANT SECRETARY
Ack[d] as directed Ap. 12 86
Copy to Committee For Affairs
for their information
8 1886 Apl 12 86

Colonel Denby to the

Secretary of State.

Subject.

Emeute at Chinkiang in which two Missionaries were wrongfully arrested.

Synopsis.

Account of the affair. Satisfaction with which the treatment of the Chinese question in the Presidents Message is received.

No. 81.

Legation of the United States.
Peking February 9th 1886.

To the Honorable,
Thomas F Bayard,
Secretary of State,
Washington, D.C.

Sir:

I have the honor to report that lately there was a slight emeute at Chinkiang.

Certain Missionaries of the Methodist Episcopal Mission had made contracts under which certain houses were to be built. The contractor undertook to throw up the job. The Missionaries held him

him to his agreement. The
Contractor unable to get
any more money undertook
to take away the blinds in
the verandah. Mr. Longdon,
one of the Missionaries,
refused to allow this to be done.
The Contractor then ordered
his men to bind the
Missionary. Mr. Woodville,
another missionary, came to
Mr. Longdon's rescue. They were
both bound and taken to
the tipao. The Consul. Mr
Bergholz, hearing of this
communicated with the Taotai,
and the tipao then released
the Missionaries. Mr. Bergholz
demanded that the carpenters
should

should be punished. The Taotai declined to punish them until he could see the accounts of the parties. Mr. Bergholz refused to comply with this demand. The matter was brought to the attention of the Acting Consul General, Mr. Smithers. Mr. Smithers procured the British and American Admirals to send Men-of-War to Chinkiang. There being no American Man-of-War convenient, the British Admiral sent H. M. S. "Wanderer", and the United States vessel "Marion" shortly followed. Upon being informed

that

that two ships were ordered to Chinkiang the Taotai ordered the officiers to be arrested and canqued in front of the United States Consulate. Besides this they each received three hundred blows. The affair is now over and all is quiet.

I have not received any official account of the affair, but I send a statement of it now for fear of rumor reaching you befor the true account does.

I may mention in this connexion that the treatment of the Chinese question by the President in his

Message has been received with warm encomiums by the English Press in China. The action of the Chinese in New York commending the energetic conduct of the Administration is received with great satisfaction. But it is argued with some show of truth that Americans will be hampered in China when they have grievances, by the outrages committed in the Western States and Territories. Accounts of these outrages are all published in the Chinese papers.

The Yamên has omit never yet even hinted at the

the question to me, except in the one communication, of which I sent you a translation in October last, (No. 11.) I had a discussion with Li Hung Chang about these difficulties in which I tried to explain to him our dual form of Government, assured him that the United States Government would do all that it could to protect the Chinese against violence.

(I await instructions from the Department before entering on this question.) omit

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

DEPARTMENT OF STATE
APR 13 1886
RECEIVED

Separate. One enclosure.

Legation of the United States,
Peking, February 13th 1886

W. F. D. Bluthaire

to the

Secretary of State

Subject

Transmits duplicate
salary account
for Fourth Quarter 1885.

Received

Separate One enclosure.

Legation of the United States.

Peking, February 13th 1886.

Honorable Thomas F. Bayard.

Secretary of State.

Washington.

Sir:—

I have the honor to enclose duplicate statement of my salary account for the Fourth Quarter 1886.

I have the honor to be,

Sir,

Your obedient servant

C. D. Sherrill

Enclosure

1. Statement as above.

DEPARTMENT OF STATE
APR 13 1886
RECEIVED.

No 82. Ordinary

Legation of the United States
Peking, February 13th 1886.

W. Denby to the
Secretary of State

Subject

Translation
Account for January.

No 82. One enclosure

Legation of the United States.
Peking, February 13th 1886.

Honorable Thomas F. Bayard.
Secretary of State.
Washington.

Sir:—

I have the honor to transmit herewith, a statement
1/82. of my account for telegrams for the month of January ultimo.

I have the honor to be,
Sir
Your obedient Servant
Charles Denby

Enclosure
1. Statement as above.

"Foulk, Seoul, Corea
"Bayard Telegraphs "Informs
"Foulk three teachers, one
"married, accept Corean
"employment, will start
"forthwith if desired and
"expenses and payment
"guaranteed.
Denby"

Peking, January 10th 1886.

DEPARTMENT OF STATE
APR 13 1886
RECEIVED.

No 83. One enclosure.

Legation of the United States
Peking, February 13th 1886.

W. Woodville Rockhill
to the Secretary of State

Subject.

Transmits duplicate
statement of Contingent
Expense account for
Fourth Quarter 1886.

Filed

No 83. One enclosure.

Legation of the United States.

Peking, February 13th, 1886.

Honorable Thomas F. Bayard.

Secretary of State.

Washington.

Sir:—

I have the honor to transmit herewith, duplicate statement of the Contingent Expenditure account of this Legation for the Fourth Quarter 1885.

1/83.

I have the honor to be,

Sir,

Your Obedient Servant

Charles Denby

Enclosure.

1. Statement as above.

DEPARTMENT OF STATE
APR 13 1886
RECEIVED.

No 84. One enclosure

Legation of the United States.
Peking, February 13th 1886.

Mr. Charles Denby
to the Secretary of State

Subject.

Transmits duplicate account
for Lorcha by Endeavour
to December 31st 1886.

Duplicate

No 84. One enclosure.

Legation of the United States
Peking, February 13th, 1886

Honorable Thomas F. Bayard.
Secretary of State,
Washington.

Sir:—

I have the honor to transmit herewith, duplicate account for losses by Exchange, up to the 31st December 1885.

/84.

I have the honor to be,
Sir,
Your Obedient Servant
Charles Denby

Enclosure
1. Account as above.

DEPARTMENT OF STATE
APR 13 1886
RECEIVED.

No 85. One enclosure.

Legation of the United States.
Peking, February 13th 1886.

Mr. Charles Denby
to the Secretary of State

Subject.

Transmits duplicate salary account for Quarter Ending December 31st 1886.

Received

No. 85. One enclosure.

Legation of the United States.
Peking, February 13th, 1886.

Honorable Thomas F. Bayard,
Secretary of State.
Washington.

Sir:—

I have the honor to transmit herewith, duplicate statement of my Salary Account for the Fourth Quarter 1885.

I have the honor to be,
Sir,
Your Obedient Servant,
Charles Denby

Enclosure
1. Duplicate statement as above.

DEPARTMENT OF STATE
APR 13 1886
RECEIVED.

No 66. One enclosure

Legation of the United States.

Pekin, February 13th 1886.

Mr. Shaler Duly

to the Secretary of State

Subject.

Transmits Triplicate Return of Passports issued during Year 1885.

No 86. One enclosure.

Legation of the United States.
Peking, February 13th, 1886.

Honorable Thomas F. Bayard.
Secretary of State.
Washington

Sir:—

I have the honor to transmit herewith, duplicate Return of Passports issued by this Legation during the year 1885.

I have the honor to be,
Sir,
Your obedient Servant.
Charles Denby

Enclosure.
1. Duplicate Return as above.

1886.

Return of Passports issued

No	Name	Date	State or Country	Age
53	Gilbert Rich	January 17		27
54	James H Roberts	" 20		33 1/2
55	Watson M Hayes	April 9		27
56	S.J. Woodbridge	" 15		25
57	Marion L. Taft	May 8		34
58	John R Hykes	June 15		33
59	W.P. Chalfant	September 7		35
60	A.P. Peck	" 16		38
61	Emma Young	" 17		23
62	John Butler	October 7		48
63	E.W. Smith	" 14		36
64	Charles R. Hager	" 26		33
65	Lenard W Kip	" "		47

Total. 13 Passports

Legation of the United States
Peking, December 31st 1885.

during the year 1885.

Height	Eyes	Nose	Hair	Face	Complexion
6. 1¼	Black		Black	Spare	Dark
5. 11¾	Blue	Straight	Brown	Oval	Light
5. 9½	Blue	Regular	Light	Square	Fair
5. 5	Dark	Medium	Black		Darkish
5. 4	Hazel	Straight	do	Full	Slightly dark
5. 11½	Brown	Prominent	Brown	Oval	Florid
6.	Blue	Large	Sandy	Long	Fair
5. 9	Blue	Straight	Brown	Long	Light
5. 4	Hazel	Medium	Dark auburn	Oval	Fair
5. 5	Grey	do	Dark Grey		Dark
5. 10	Blue	Straight	Medium light grey		Light
5. 10	Dark grey	Medium	Dark brown	Round	Dark
5. 10	Grey	Straight	Light brown		Light

@ $6. each = $65.—

Charles Denby
United States Minister

file

DEPARTMENT OF STATE
APR 13 1886
RECEIVED.

No. 87.

Mr Everett
14

Legation of the United States,
Peking, February 13th 1886.

3RD ASSISTANT SECRETARY
Ack by No. & file
APR 13 1886

Colonel Denby to the
Secretary of State.

Subject.
New Years Call of Diplomatic
Body on the Tsung-li Yamên.

No. 87.

Legation of the United States.
Peking February 18th 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington, D.C.

Sir:

I have the honor to report that the Diplomatic Corps this day called on the Tsung-li Yamên, whose members with many other officials received us. It was the occasion of the annual reception at the New Years celebration. Mr. von Brandt, the Dean of the Diplomatic Body

Body, and Mr. Popoff, the
next in rank, being absent
it devolved on me to
represent the Diplomatic
Corps. After our health had
been drunk by the Prince
and Their Excellencies, I
made the following remarks:
"Your Imperial Highness and
"Your Excellencies - on behalf
"of my colleagues and
"myself I congratulate
"Your Imperial Highness and
"Your Excellencies on the
"auspicious commencement
"of the New Year. I trust that
"the friendly relations
"existing between China and
"the Governments we have the
honor

"honor to represent will
"continue during this and
"all years to come. I have
"the honor to propose the
"health of His Imperial
"Majesty the Emperor of
"China".

These words were
translated by Mr. Cheshire.
The health of the Emperor
was drunk standing. Prince
Ching replied in a few
words expressing his
gratification at our call
and his reciprocation of
the wish for the continuance
of friendly relations. After
partaking of refreshments
the Diplomatic Body withdrew.

I have the honor to be, Sir,
Your obedient servant,
Charles Denby

DEPARTMENT OF STATE
APR 13 1886
RECEIVED.

Seperate.

Legation of the United States.
Peking February 15th 1886.

Chas. Denby Jr. (Second Secty) to the
Secretary of State.

No. 211.

Subject.
Transmits duplicate statement
of salary account.

One inclosure.

Seperate.

Legation of the United States
Peking. February 15th 1886.

To the Honorable
Thomas F. Bayard
Secretary of State
Washington D.C.

Sir:

I have the honor to enclose herewith duplicate statement of my salary account for the quarter ending Dec. 31st 1885, of which the original was forwarded on the 1st ult. Against this I drew my draft on Messrs Brown Shipley and Co., London, in the usual way.

1/ sep.

I

I have the honor to be,

Sir,

Your obedient servant,

Chas. Denby Jr.

Second Secretary of
Legation

Inclosure.

1. Statement of account with
voucher.

file Mr Everitt
14

DEPARTMENT OF STATE
APR 13 1886
RECEIVED.

No. 88.

Legation of the United States.

Peking, February 15th 1886.

3RD ASSISTANT SECRETARY
Ack by No. & file
APR 19 1886

Colonel Denby to the
Secretary of State.

Subject.

The case of Lo Chün Lien

Synopsis.

Col. Denby has reported to the Yamên the conclusions of the Department.

One enclosure.

No. 88.

Legation of the United States.
Peking, February 15th 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington D. C.

Sir:

I have the honor to report that on the receipt of your dispatches Nos. 22 and 25 relating to the case of Lo Chün Lin I sent the Yamên a communication of which a copy is enclosed.

1/88

I express therein the views contained in the two dispatches mentioned.

I

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Enclosure.

1. Colonel Denby to the Foreign Office 2/1886 Feb. 15th 1886

Copy.

Enclosure 1 in No. 88.

No. 2/1886 Mr. Denby to Foreign Office.

Peking February 10th 1886.

Your Imperial Highness and
Your Excellencies:

I

have the honor to state that I have received instructions from my Government relative to the case of Ts Chiin Lieu for damage alleged to have been sustained by the sinking of his charcoal boat which collided with a United States vessel the "Annie."

In your communication to this Legation Y.I.H. and Y.C. construed the treaty stipulation as meaning that no deposit should be made for costs in this character of cases. This is not the English text. The language in the English text of the

treaty

treaty of 1858 is - "The
"extortion of illegal fees is
"expressly prohibited."

My Government
adheres to the practice usual
with all the Treaty Powers,
which has always prevailed,
and which is customary in
the United States and in
all other countries, of
requiring deposits to be
made for costs upon the
bringing of an action. The
requirement that a sum
sufficient to cover costs
should be deposited will
not be a hardship to any
one who has confidence in
the merits of his cause of
action. If there be a question
between any treaty and
subsequent Chinese Legislation,
the opinion of my Government
is that, internationally, such
legislation cannot affect
treaty

treaty obligations.

My Government concludes that in cases in which an American is sued by a Chinese subject the United States Consul shall invite the proper officials of the Plaintiff's nationality to sit with him at the hearing, to watch the proceedings, to present and examine and cross-examine witnesses, and to protest if he pleases in detail. This is the uniform practice in China and I hope Your Imperial Highness and Your Excellencies will see that it is impossible to vary it in any particular case.

Y. I. H. and Y. E. also requested this Legation to make an order that no Interpreter should be permitted to engage in business.

My

My Government remarks that the statutes of the United States prescribe what classes of officials shall not be permitted by the United States to engage in business. An Interpreter is not within these classes; he is a subordinate officer and is not like the Vice-Consul who receives an exequatur, is in the line of official succession and may act as Consul in case of need without special designation; the subordinate officers can not so act.

If positive proof were adduced that Mr. Jenkins had abused his trust my Government would not sanction such conduct and would take proper steps to remove him from his position as Interpreter.

But

But no such charge is made by Your Imperial Highness and Your Excellency.

My Government further observes that the Consul at Kaukow will be instructed that in any case in which the Interpreter is interested he should not act in an official capacity.

I hope that these representations will be satisfactory to Your Imperial Highness and Your Excellency.

As I have already notified you the late Consul Mr. Shepard has been removed and has been succeeded by Mr. Benjamin J. Franklin who will very soon assume the duties of his position. Under his administration I hope that peace and harmony will prevail and that his ministrations will be

be acceptable to the local authorities and the Imperial Government.

I have the honor to renew to Your Imperial Highness and Your Excellency the assurance of my highest consideration.

Signed Charles Denby

file

DEPARTMENT OF STATE
APR 13 1886
RECEIVED.

No. 89.

Legation of the United States,
Peking, February 15th, 1886.

3RD ASSISTANT SECRETARY
Ack by No. & file
APR 13 1886

Colonel Denby to the
Secretary of State.

Subject.

Inland taxation of foreign goods.

Synopsis.

Negotiations with Yamên as to abolishment of tax on goods sent under transit pass. Dean of Dip. Body has procured from Yamên a promise to publish lists of likin stations and tariffs and to abolish differential taxes on goods under transit pass

---

No. 89.

Legation of the United States.
Peking, February 15th 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington D. C.

Sir:

I have the honor to report that the Dean of the Diplomatic Corps, Mr. von Brandt, with the concurrence of his colleagues, has, for some weeks, been pressing on the Tsung-li Yamên questions relating to inland taxation on foreign goods.

Mr. von Brandt has insisted that

that the present system should be modified in two particulars.

1st That there should be published lists of the Likin and other tax stations and of the tariffs at such stations.

2nd That differential duties imposed on foreign goods sent inland under transit pass, after their arrival at the place of destination should be abolished.

In a communication to Mr. von Brandt the Yamen concedes the justice of the second proposition, and further says - "he shall "therefore without delay / enjoin

"enjoin upon all the Provincial
"Authorities to take measures
"with a view to a better
"regulation of this matter,
"and, in order to avoid
"malpractices and irregularities
"at the Likin duty offices, to
"prepare and publish complete
"lists of the places where
"Likin Stations exist and of
"the tariffs which are in
"use by them."

The Diplomatic Corps
meets on the 16th instant
to further consider this
question.

I have the honor to be,
Sir,
Your obedient servant,
Charles Denby

DEPARTMENT OF STATE
APR 13 1886
RECEIVED.

No. 90.

Mr Everett
14

Legation of the United States.

3RD ASSISTANT SECRETARY
allow articles on p. 2.
authorization to conclude
other articles on approved list
APR 13 1886

Peking, February 16th 1886.

The question of the approved list is reserved until the pending appropriation bill shall become effective as a law; when, if the sum appd is sufficient, the needs of the Legn at Peking will be taken into consideration

Forwarded 4/16/86 Asst Sec

Colonel Denby to the

Secretary of State.

Subject.

Estimates for necessary office furniture.

---

1 One inclosure

No. 90.

Legation of the United States.
Peking, February 16th 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State.
Washington D.C.

Sir:

In your dispatch No. 12 you directed me to furnish an estimate in detail of the articles needed to put the offices in good order. I have the honor now to forward the inclosed estimate received chiefly from Shanghai. In nearly every case I have taken the cheapest articles in

1
90

in the list furnished me. For convenience I retain the numbers on the price list.

I desire destinctly to state that the following items in the said list are absolutely necessary and indespensable towit:

1 Carpet for Ministers Office	$52.
2 Carpets for other offices	52.
4 Lamps for offices	35.
1 Stove for offices	12.50
	$151.50

I can get along without the other articles. The Secretary has been using a desk of Mr Holcombe's and a table of his own. If I get a new desk

desk for my office I can give him the old one I now use. The table in my office is cracked through the centre and should be replaced by a new one. Some of the office chairs were covered by Mr. Smithers but the wood work of some of them is broken. The two large morocco chairs are very old and dingy. As I receive my Colleagues and all gentlemen who call on me in my office I would like of course to fit it up as the other offices are furnished here. But I beg to repeat that I do not wish in the least to embarass the

Department

Department. If there is any reason why this allowance should not be made I shall not complain, insisting only on the indispensable articles above mentioned.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Inclosure.

1. Memorandum with prices of Office furniture needed.

Inclosure 1 in No. 90.

Price List of Office Furniture.

497	Six Library chairs covered real Morocco best stuffing	90	
323	One reading chair with book rest	47	
496	One sofa to match morocco chairs	92	
219	One round table	67	
203	One pedestal table all teak with locks to each drawer	58	
232	One book case with shelves	92	
165	One all teak chair solid seat	12	
allow these add	Carpet for Ministers Office Chinese make	52	
	Two carpets for other Offices	52	
	Four lamps for offices	35	
	One stove for offices	12	50
	Curtains including rods &c	92	00
		701	50
	Freight from Shanghai @ 10%	70	15
	Total	771	65

United States Legation,
Peking, February 16th 1886.

DEPARTMENT OF STATE
APR 13 1886
RECEIVED.

No 91. One enclosure.

Legation of the United States.
Peking, February 17th 1886.

Mr. Denby to the
Secretary of State

Subject

Endorses Statement of
Repairs Account, Legation
premises for year 1886..

No 91. One enclosure.

Legation of the United States,
Peking, February 17th, 1886.

Honorable Thomas F. Bayard,
Secretary of State.
Washington.

Sir:—

I have the honor to transmit herewith, a statement of the moneys expended for repairs, upon the premises of this Legation, during the year 1885.

91.

As I understand it, this statement will not be forwarded to the Treasury Department, it is merely filed with the Department of State, and the Legation, in order to show that the terms of the lease,

which

which provides for the annual expenditure of $600. upon the property in repair, &c, has been faithfully complied with.

I have the honor to be,
Sir,
Your obedient Servant,
Charles Denby

Enclosure 1.
Statement of repairs account of Legation premises for the year 1885.

The United States Legation in

85	From January 1st to 1885			$
Dec	31	To paid L Tallien as per bill	A	33 50
	"	" " P Kierulff " "	B	39 45
	"	" " Yung Lai " "	C	19 -
	"	" " Yang Tsin Ko " "	D	5 4 15
	"	" " Yeung Lai " "	E	15 50
	"	" " P Kierulff " "	F	42 30
	"	" " Chang Chun Chi " "	G	192 54
	"	" " Do " "	H	96 27
	"	" " Ling Chung Ko " "	I	55 57
	"	" " P Kierulff " "	J	3 35
	"	balance carried forward		49 37
				600 00

Legation of the United States
Peking, February 16th 1886

account for repairs

1885		to December 31st 1885		Cr.	
December	31	By annual allowance for repairs as per law			
			$	600	—
1886					
January	1	By balance brought forward	$	49	37

E. & O. E.

Charles Denby

United States Minister

A

Peking 1st December 1895

States Légation

To L. FALLIEU, Dr

HOTEL DE PEKIN,

GENERAL STORE-KEEPER.

45 Rools Wall paper à $ 0,70	$	31 50
1 do do do Bordure		2. –
	$	33. 50

received payment

L. Fallieu

B.

Peking, 30th Novbr 1885

To The U. S. Legation

Dbt to P. Kierulff.

23.	3 Roll Wallpapers. 1.25 1 Roll Border 2.50	$ 4	45.
	2. " " 1.50 1 " " 2.50	4.	
24	1 " Cornes 2.50 2 " " 5.50	8	
	1 " " 3.50 3 " " 7.50	10	50.
25	5 " Borders @ 2.50	12	50.
		$ 39.	45

Received
P. Kierulff

C

The Legation of the United States
To Yung Lai Dr
To papering upper and lower 19.00
Rec'd pay Dec 3 1895
永来

D.

The Legation of the United States

To Chang Tsin Ho Dr.

To wages of Chang Tsin Ho from October 2nd to December 2nd 1885		$17.90
To Hooks, ten		.80
To Hinges, four pr. copper		2.84
To Window panes, eleven		4.65
To Wood plank for top of window		.60
To Window sash		.60
To Bells, two, for front door and office		$3.00
To Nails		.24
To Wood, for door sill		.40
To Hinges, one pr. copper iron		.40
To Wood for large door frame		4.30
To Hooks, three pr. for curtain bars		.60
To Wood for standard in stable		1.50
To Chinese glue		.50
To Paint, brown		.12
To Charcoal used in repairs		.05
To Men employed on dining room floor		6.00
To Mason employed on Kitchen drain		2.50
To Bricks, twenty nine stone used by mason		2.30
To Bricks, fifty small stone used by mason		.70
To Lime " " "		.50
To Hemp, twenty five catties, " " "		1.25
To Sand, two hundred and fifty catties " " "		1.20
To Grate for Kitchen		.60
		$54.15

Rec'd. payment 楊增利

美國府糊

南書房二間工料共五十五吊

又糊南書房一間工料共三十五吊

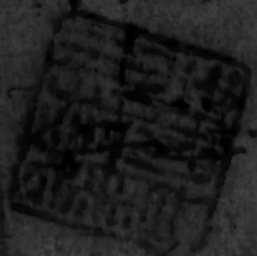
東院糊西廂房一間工料共三十吊

東院糊高立紙窓戶七間共三十五吊

共用工料共一百五十五吊



永來號



Translation

E.

The United States Legation.

St. to Kungtai

For papering two offices	Tiao	55.—
" do Chinese writing offices	"	35.—
" do Servants Quarters (verandahs house)	"	20.—
" cost of Corean paper	"	35.—
	Tiao	155.—

@ Exchange 10 tiao to a dollar

$15.50

Peking 31st October 1885. F

United States Legation

Dr to F. Thiersch

		11.05		6 vv		
31.	17 pieces Wallpaper. 2 pieces Bordering				17	05
29	14 Rolls Paper. 1 do Bordering	10.50	2.50		13	vv
28	15 " "	9.75	1 "	2.50	12	25
					$	42 30

Received Payment

W. W. ~~Rockhill~~ Secretary

十年
十年修理跟班居員馬乡連面參居辟修三斛合銀壹兩六
錢壹分
於旗纛參銀 壹兩參錢
木瓦匠五名共參兩
馬棚三所
砖厝壹所共參兩
水馬房柴炭杆壹根
鋸匀日能环鋸
合參兩參錢
合參兩參錢
共參銀壹兩六錢壹分
折洋木以元叶計
折洋木以元叶

Translation. G.

United States Legation
St. Chang Shum Chi
(Carpenter)

For repairing old building occupied by servants and master, Northern Court, Northern stable and for materials and dressing work done to Guest House Western Court, during year 1884 and 1885. Yu 120 -

For rope for flag staff Cash 3. -
Wages 5 carpenters, masons and bar " 14.800
Bricks, lime and hair 3.740
1 stable post and 3 pond bones for stable 169. -
11 posts, iron work &c, for Northern stable 55. -

Cash 245.540
= $ 25.88
120 Yuan @ 72 = 166.66
$ 192.54

華白矢壹萬九拾壹圓參拾六錢參厘也
油長壹萬
參拾參圓參拾參錢參厘也
備考別表
油地板壹萬
洋小拾壹圓
疑似屋物掛
ケ屋物急戸
參拾參圓參拾參錢參厘也
敷詰所表札洋小
參拾壹圓
疑惑壹ケ
參圓
廣ケ拾壹ケ所
板框金具附作
參圓參拾參錢參厘也
壹ケ
參圓參拾參錢參厘也
壹ケ
參圓參拾參錢參厘也
壹ケ

Inculation. H

United States Legation
Dr. to Chang Chun Shi
(Carpenter)

Repairs to Secretary's House
and Servants Quarters

For hours	Taels	50.800	
6 panes glass		26.200	
1 painter		3.-	
planks for classroom		70.-	
Repairs to pantry		34.600	
			$45.
Lath & plastering dining room			15.
Painting four rooms			
Repairs to door, hinges, &c.			
East room		115.-	
6 panes glass		7.-	
6 Mason		15.600	
6 Coolies		10.800	
4 catties of hair		2.-	
10 Tiles		.600	
4 "		.480	
8 Lines for East house		24.-	
		360.080	
less value old material		25.-	
	Taels	335.080	35.27
			$ 96.27

I.

The United States Legation
To Yang Ching Hsu Dr.

To wages for himself from Dec. 1st 11. 1885 to January 5th 11. 1886, and wages for hired assistant for fifteen days	$11.70
To one wood plank	.75
To red paint	.12
To charcoal	.12
To glue	.70
To three hinges	.45
To earth for mortar	.05
To sand for mortar	.45
To one iron plate	.70
To hire for one mason	.70
To lime	.50
To repairs on house	$13.50
To papering laundry	$2.00
To repairs on laundry	$2.50
To papering, and repairing grates	$6.00
To repairing laundry	$7.00
To carpenter work	$3.50
To papering	$4.50
	$55.57

Received Payment. 楊增和收

J.

Peking, 1st January 1886.

U. S. Legation Peking.

Dbt to P. Kierulff.

1885					
Octob	10.	2 Sets Pulleys.	$	1.	
Nov	4.	1 Roll Wallpaper 50¢ Screws 30¢			80.
Dec	9.	6 Hooks. 15¢ Hinges. 33¢			50.
	15	2 " 20¢ 1 Lock. 50¢			70.
	18	Hinges.			35.
			$	3	35

Received payment
from H.E. Ch. Denby:
P. Kierulff

file

Wm Everett
27

No. 92.

DEPARTMENT OF STATE
APR 26 1886
RECEIVED.

Legation of the United States,
Peking, February 17th 1886.

2nd ASSISTANT SECRETARY
Ack by no + file.
APR 27 1886

Colonel Denby to the
Secretary of State.

Subject.

The future of Tongking.

No. 92.

Legation of the United States.

Peking, February 17th 1886.

To the Honorable

Thomas F. Bayard

Secretary of State,

Washington D. C.

Sir:

The future of Tongking is very much discussed in the Chinese Press. The credit for the Tongking supplies was voted in the Chamber of Deputies by only four majority. To maintain her protectorate France has lost thousands of lives and has spent millions of money. With all this expenditure she has only a foothold on the delta of the Red River

River. The Marquis Tseng, late Chinese Minister to England, is credited with offering a solution to the effect that China will take back Tongking if France will pay her an indemnity! Another proposition much argued is that Tongking should be ceded to Japan.

Meantime the French Plenipotentiary, Mon. Cogordan, is dancing attendance at Tientsin on the Viceroy Li. The report is that he and his suite will shortly return to Peking. It is impossible to foresee what may be the ultimate result of negotiations. What a contrast the conduct of England presents! She with a small army conquered Burmah, dethroned and deported

deported King Theebaw and annexed the country and will now push her Indian Rail Road Systems to the frontier of China proper.

I have the honor to be,

Sir.

Your obedient servant,

Charles Denby

DEPARTMENT OF STATE
APR 26 1886
RECEIVED.

No. 93.
Acknowledges receipt of his note

Mr Everett
27

2nd ASSISTANT SECRETARY
acted upon as directed
APR 27 1886

Legation of the United States,
Peking, February 17th 1886.

Colonel Denby to the
Secretary of State.

Subject.
Inland taxation of foreign goods.

Synopsis.

Col. Denby has instructed Consul-General to notify Consuls of new rules agreed to by Tsungli Yamên as to inland taxation of foreign goods. In seeking redress to cooperate with Consuls of other countries and to adopt personal interviews in preference to correspondence with local authorities

No. 93.

Legation of the United States.

Peking, February 17th 1886.

To the Honorable,

Thomas F. Bayard,

Secretary of State,

Washington. D. C.

Sir:

I have the honor to report that I have requested the Acting Consul-General to notify the Consuls that the Tsung-li Yamên has consented to instruct the local authorities to publish lists of the likin stations and other tax stations in the interior as well as the tariff or rate of taxation on goods at those stations. Also that the Yamen has consented

to

to abolish differential duties
imposed on foreign goods sent
under transit pass after their
arrival at the place of destination.

I have also directed
him to notify the Consuls to
report any breach of these new
regulations, to act with the Consuls
of other nationalities in seeking
redress at the hands of local
authorities, and in seeking
redress to make active personal
interposition with the local
authorities rather than to rely
on mere written complaints.

I have the honor to be,
Sir.
Your obedient servant,
Charles Denby

No. 94.

DEPARTMENT OF STATE
APR 26 1886
RECEIVED.

Mr Everett
Esq

Legation of the United States,
Peking, February 17th 1886.

Ackd by no. ap 29
Copy to Treasury- ap 29 86 cirtc
APR 27 1886

Colonel Denby to the
Secretary of State.

Subject.

Colonial possessions of China.

One inclosure.

No. 94.

Legation of the United States.
Peking February 17th 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington, D.C.

Sir:

Upon the receipt of your Circular enclosing schedule "C" "List of Foreign countries and Dependencies for the Treasury Department" and requesting answers to certain interrogatories, I addressed a note to the Tsung-li Yamên. I requested the Yamên to furnish me with "a list of "the names and locations of all

"all the colonial possessions" of China. I have received from the Yamên a characteristic answer of which I enclose a translation. If the Treasury Department can make anything available out of this indefinite answer it will be more successful than any of the scholars that I have consulted touching the proper answers to the queries in the Circular.

For answer to the first interrogatory I have to say that Formosa and Hainan are the only outlying territorial possessions of China, but they are parts of the Empire and not colonial possessions

possessions properly.

For answer to the second interrogatory I have to say that the islands named in the third column of the schedule are correctly credited.

For answer to the third interrogatory I have to say that the highest authority in China, the Tsung-li Yamên, reports that "in regard to the dependencies "or tributary countries of China as, "for instance, Corea, Lewchew, "Yuennan (Tongking and Annam) "Siam, Burma, Kaukiang (the Laos "Country) and Koh Erh Tê (Cookat) "these countries have all received "an Imperial Patent or Title

from

"from China as dependencies
"or tributary states. Besides these
"there are dependent territories
"included in the Government
"Register or Census of China, and
"as they embrace an area of
"several tens of thousands of li
"(Chinese miles) it is no easy
"matter to state their names
"and boundaries accurately."

I have the honor to be,
Sir,
Your obedient servant,
Charles Denby

Enclosure.
1. Tsung-li Yamên to Col. Denby
informal note. Feb 16th 1886.

Enclosure 1 in No. 94. Copy.

Translation.

Informal.

The Foreign Office
to Mr Denby.

Peking February 16th 1886.

Your Excellency:

Upon the 9th of February we had the honor to receive ~~from~~ Your Excellency's note wherein you stated that you had been directed by the Hon. Secretary of State to furnish a list of the names of all the Colonial possessions or dependencies of China which list was to be used in the compilation of the monthly statements of Foreign Commerce rendered by the Collectors of Customs to the Bureau of Statistics Treasury Department, &c.

It appears that (in regard to) the dependencies

or

or tributary countries of China as (for instance) Corea, Luchow, Yuchnan (Tonking and Annam) Siam, Burmah, Nanchang (the Laos country) and Koh Eh ke (Khorkat) these countries have all received an Imperial Patent or Title from China as dependencies or tributary states. Besides these there are dependent territories included in the (Government) Register or Census of China and as they embrace an area of several tens of thousands of li (Chinese miles) it is no easy matter to state (their names and boundaries) seriatim.

As in duty bound I send this note in reply for Your Excellency's information.

With compliments and cards of Ministers.

DEPARTMENT OF STATE
APR 13 1886
RECEIVED.

Separate. One enclosure.

Legation of the United States.
Peking, February 18th 1886.

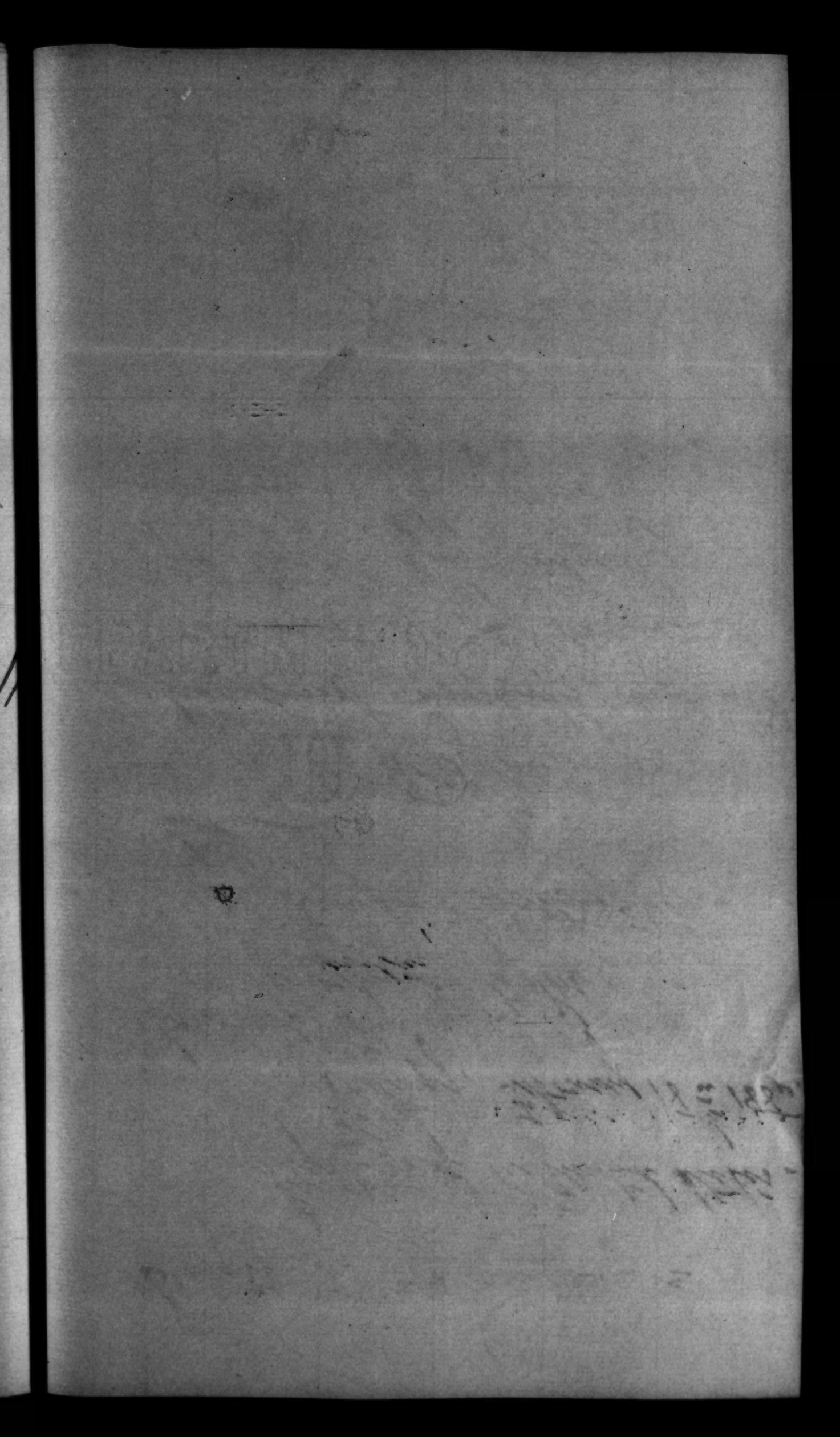
Mr. Sherman to the
Secretary of State.

No. 96.

Subject.

Endorses duplicate statement
of account for losses
by Exchange during
Jan 1886.

JM



Separate. One enclosure

Legation of the United States
Peking, February 18th, 1886.

Honorable Thomas F. Bayard.
Secretary of State.
Washington.

Sir:—

I have the honor to transmit herewith, duplicate statement of my account for losses by exchange, during the year 1885.

I have the honor to be,
Sir,
Your obedient servant
P. D. Sherman.

Enclosure.
1. Duplicate statement as above.

"China" Wm Everett

3

CABLE MESSAGE.

THE WESTERN UNION TELEGRAPH COMPANY.

CABLE MESSAGES received for transmission must be written on the Message Blanks provided by this Company for that purpose, and accepted subject to the printed thereon, and on the back hereof, which conditions have been agreed to by the sender of the following message.

THOS. T. ECKERT, General Manager. NORVIN GREEN, President.

NUMBER	SENT BY	REC'D BY	No. OF WORDS	FROM
2 Ny	To	C		9 Pe King

Feby 19 1885

Rec'd at

DEPARTMENT OF STATE
FEB 19 1886
RECEIVED.

Bayard. Washington

Yamen

Yamen Complain bitterly of late outrages. Derby

DEPARTMENT OF STATE
APR 26 1886.
RECEIVED

No. 95. / Legation of the United States

acknowledging copies of Chinese minister's note of ap. 5 to Sec of State & ap. 13. to Frelinghuysen

Peking, February 22nd 1886.

Mr Everett 27

Colonel Denby to the

Secretary of State.

Subject.

Communication from Yamên as to outrages on Chinese.

Synopsis.

Yamên asks that Minister telegraph insisting on punishment of criminals. Answer of Minister quoting Presidents message and assuring Yamên that Government will do what it lawfully can.

No. 95. Two enclosures.

Legation of the United States.
Peking, February 22nd 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington D.C.

Sir:

I have the honor to report that on the 19th day of this month I received a communication of which a copy is herewith enclosed. On the urgent request therein contained I judged best to telegraph and I accordingly sent you the following telegram-

"Bayard, Washington,

"Yamên complain

"bitterly of late outrages, Deadly"

The

The Yamên complains of the perpetration of outrages lately committed and request that urgent measures be taken for the punishment of the offenders. In reply I sent the Yamên the communication of which a copy is enclosed. Therein I cite the action of the Chinese residents of New York commending the vigorous action of the Government, also those portions of the President's Message refering to this subject. And I assure the Yamên that the Government will do what it lawfully can to prevent outrages, and to punish criminals.

I have the honor to be, Sir,
Your obedient servant
Charles Denby

Enclosures:
1. For. Off. to Col. Denby No 2/1886 Feb. 18th
2. Col Denby to F.O. No 3/1886 Feb 28th

Enclosure 1 in No. 95. Copy-

No. 2/1886. (Translation)

The Foreign Office to

Mr. Denby -

Peking Feb. 18th 1886.

Your Excellency:

The Prince and Ministers have the honor to inform Your Excellency that on the 16th instant they received a telegraphic message from His Excellency Chêng, Chinese Minister accredited to the United States, as follows -

"After the riot at Rockysprings "at a place called She-Lew (?) "three Chinese workmen were "killed. Search was made (by "the rioters) at the coal mines "at Pu-Lu-Wen (?) for valuables "and articles belonging to the "Chinese laborers. A good many "Chinese were wounded. That "at the coal mines at A-Lu "Wei (?) the rioters searched for "and stole articles of clothing "belonging to the Chinese, that

the

"the outlaws had been arrested
"but not punished; that at
"other places a plot had
"been arranged to expel the
"Chinese laborers and that
"all this happened before the
"12th Chinese month (January).
"That at present at She-Lu
"the Chinese were being pressed
"to leave the place; that in
"the region west of She-Lu
"the threats against the Chinese
"were increasing; that the
"Chinese had suffered loss
"of property to no small
"extent and that the local
"authorities were unwilling
"to exert themselves."

The Prince and Ministers would observe that it appears that in the 3rd Article of the supplemental Treaty between the United States and China it states -

"If

"If Chinese laborers or Chinese
"of any other class now
"either permanently or
"temporarily residing in the
"tenitory of the United States
"meet with ill treatment at
"the hands of any other
"persons the Government of
"the United States will exert
"all its power to devise
"measures for their protection."

Now the outrages committed at Rock Springs have not, as yet, been settled, and further disturbances have again occured at different places. When the Chinese meet with such calamities how can the local offices of your country allow such outrages to pass unpunished. Such action is a violation of the spirit of the Treaty in regard to clothing all power to give protection

protection.

The Prince and Ministers as in duty bound, address Your Excellency in this matter with the request that you will be good enough to telegraph the President of the United States asking that speedy instructions may be issued to cause the apprehension and punishment of the outlaws with the utmost rigor of the law and to devise measures to give entire protection to the Chinese at all places to the end that they may continue their work in peace and quietness, and thus evince a feeling of staunch friendliness.

A necessary communication addressed to His Excellency Charles Denby &c &c &c Peking.

Enclosure 2 in No. 95.

No 3/1886.

Mr. Denby to the Foreign Office.

Peking, February 20th 1886.

My Lord and Sir,

I have received the communication of Your Lordship and Your Excellency giving an account of outrages committed against Chinese subjects in portions of the United States, and desiring me to telegraph to my Government your views thereupon. I have telegraphed and will also write to my Government.

It is no doubt known to Your Lordship and Your Excellency that the Government of the United States has taken the most stringent measures to prevent the perpetration of these

these outrages, as well as to
punish the criminals.
The Chinese residents of New
York testified their appreciation
of the efforts of the Government
on behalf of their fellow-subjects
by passing complimentary resolutions
at a public meeting. The
President in his message
to Congress in December last
used the following language:

"Every effort has been made
by the Government to prevent
these violent outbreaks and
to aid the representatives of
China in their investigation
of these outrages; and
it is but just to say
that they are traceable
to the lawlessness of
men not citizens of the
United States

United States engaged in competition with Chinese laborers." He also says- "all the power of the Government should be exerted to maintain the complete good faith toward China in the treatment of their men, and the inflexible sternness of the law in bringing the wrong-doers to justice should be insisted upon." It is known that large number of soldiers were immediately sent to the localities where outrages had been threatened or perpetrated and that the Chinese were protected by the soldiers and the criminals were arrested.

7

I have the honor to assure G & K.
and G. E that nothing will
be left undone that the Government
of the United States can lawfully
do to prevent outrages and
to punish the criminals who
perpetrate them.

With assurances of my
most distinguished consideration

I have M, M, &
(signed) Charles Denby.

DEPARTMENT OF STATE
APR 26 1886
RECEIVED.

No 96. one inclosure.

Legation of the United States
Peking, February 24th 1886.

Mr. Charles Denby
to the
Secretary of State
subject
Enclosure Post Statement
for 4th Quarter 1885.

No 96. One enclosure.

Legation of the United States.
Peking, February 24th 1886.

Honorable Thomas F. Bayard.
Secretary of State.
Washington.

Sir:— I have the honor to enclose herewith, a statement
1/96. of the Rent account of this legation, for the Quarter Ending the 31st of December, 1885.

I have the honor to be,
Sir,
Your Obedient Servant
Charles Denby

Enclosure 1. Statement as above.

No. 97. Not to be printed

DEPARTMENT OF STATE
APR 26 1886
RECEIVED.

Mr Everett
27

Legation of the United States.

Peking February 21st 1886.

3rd ASSISTANT SECRETARY
Ack as read with interest
Ap. 28. Clerk
APR 26 1886

Colonel Denby to the

Secretary of State.

Subject.

Condition of the Chinese Government as affecting public improvements.

Synopsis.

The Government is corrupt - is ruled by eunuchs - is vacillating. There is no certainty that progress will be inaugurated. Genl. Wilson has surveyed to the Yellow River.

Confidential

No. 97.

Legation of the United States.
Peking February 21st 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington D. C.

Sir:

I have the honor to report that in order to understand the condition of the questions involving the inauguration of public improvements in China it is necessary to comprehend the Governmental conditions which exist here. I have received several communications from men

men of prominence in the United States touching the building of railroads. They seem to assume that either there is a certainty or a very great probability that a grand system of public improvements will be inaugurated. I cannot enter into a full and free discussion of these questions with any person. But I can indicate my views to you to be used in your own discretion.

The Chinese Government is the most corrupt in the world. There is scarcely a day that the Peking Gazette does

does not contain decrees degrading and punishing officials for corrupt practices. Very lately it was reported that all the clerks in the Revenue Office had been detected in robbing. The system of "squeezing" is universal from the throne to the body servant. Small salaries are paid to officials. They are expected to steal and to share their stealings with the higher officials. A regular system of tribute is paid at the Peking gates. A Taotai or other officer coming to Peking must pay so many thousands of taels into the Imperial

Imperial Exchequer. If he fails to pay tribute he is degraded and punished. Let one example of very late occurence illustrate the species of government which exists here. A few weeks ago a retired Kipps was living at Peking, where he had built a fire house. Prior to the Chinese New Year he set off a few sky-rockets. The sticks fell in the yard of the Chief Eunuch. The Eunuch complained but the Kipps insisted that he had a right to set off his fireworks. The Eunuch said he would get even with Kipps. The Eunuch reported

reported to the Empress that the man was very wealthy and ought to be assessed. The Empress ordered him to pay two hundred thousand taels. He was utterly unable to raise the sums but did raise fifty thousand taels. He was told that the sums would not do. The Empress also said to him that she had seen through a spy glass that he had a fine house. She wanted that house and he must move out of it in three days. He begged for five days in which to move, and before the five days expired he committed suicide. This

event

event, among thoughtful men has created some consternation. It indicates that China is being governed by the Eunuchs who govern the Empress. It reduces the government to a rule controlled by whims.

Now when I am asked what China intends to do about the construction of railways I answer that no man can tell. It is plain that at some period of time railways will be built. When the Indian Railway System reaches China through Burma it will no doubt be extended. On the other hand the Emperor, when he

he takes the reins of
government into his own
hands; a year or two from
now, may inaugurate a
policy of improvement. Or
at any day a whim may
seize the Empress and she
may issue an Imperial Edict
to that effect. Opposition to
railways seems to be increasing.
The great leader of progress,
Li Hung Chang, seems to
be afraid to propose innovations.
He seems to realize the uncertain
and whimsical character of
the Government, and to
dread the contest which
would follow the introduction
of western progress.

While

While I am willing unofficially to aid in matters of introduction and civility any American who comes to China I can not hold out any inducements of present success in business ventures. The question is very doubtful.

Gen. Wilson has completed a survey of the Yellow River on which he went by the request of the Viceroy Li. His work was engineering simply. I understand that he travelled forty five days and made a thorough inspection of the River the Grand Canal and the Country.

I have the honor to be

&c, Sir,

Your obedient servant,

Charles Denby

RECEIVED

Received June 17th 1886

No. 98.

Legation of the United States,

Peking, February 26th 1886.

Colonel Denby to the

Secretary of State

Subject.

Presentation of claims to this Legation against the Chinese Govt.

Synopsis.

The Minister suggests that the practice has been very loose - that the claims are stated in letters and the correspondence is voluminous, that the claims should be in the nature of a declaration in Court. and the special damages claimed should be distinctly averred. and suggests to Department the propriety of further instructions as to manner of presenting claims.

No. 98

Legation of the United States,
Peking, February 25th, 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington, D. C.

Sir:

I have the honor to call your attention to the loose and inaccurate manner in which claims against the Chinese Government are presented to this Legation.

I suggest that some instructions from the Department as to the way of presenting claims is desirable. I find that usually the claimant writes to the Consul a long letter stating his claim with much elaboration and

and argument, the Consul replies in like vein, writes similar voluminous correspondence to the Legation; the Minister takes the matter up and gives his views to the claimant and the Consul. It results that when the matter finally reaches the Department there is an immense mass of inaccurate and useless argument and verbiage and the real questions are obscured.

I have written to the Acting Consul General that the first paper presented by the claimant should be a clear short statement of the perpetration of the injuries complained of, and the damages claimed as the direct result of the injuries. Special damages are never allowed unless

unless pleaded. With a statement of the facts and the resulting injuries the Department could determine as matter of law whether the claim should be passed. The claimant might if he pleased furnish an argument to assist the law officer in arriving at conclusions, but it should be separate from the claims itself.

To illustrate: One Mr. Wetmore sends me a claim wherein he asserts that his comprador was illegally arrested, and thereby his business suffered largely. Also that he proposed to start a manufactory of cotton yarn and was prohibited by the Chinese authorities, and thereby lost large sums of money. He refers

refers me to an immense
mass of correspondence on file
in this Legation, out of which
I might by great labor dig
his cause of action. I might do
him injustice in abstracting
his case. On the other hand to
refer the Department to the
numerous letters and dispatches
on file and to require the
Department to read them all in
order to arrive at the gist of the
complaint is imposing immense
labor.

I have suggested to this
gentleman to procure some
skilled person to draw up for
him in the nature of a declaration
a complaint of his wrongs and
injuries, to state specifically
the direct damage he has suffered and

and I would send the paper to the Department together with any argument he chose to forward to me. The legal question here will be whether under the Treaties foreigners may manufacture in China, and whether the Department will instruct me to demand damages where this right has been interfered with. I do not present this question now but simply use this case as an illustration.

If Consuls can by personal interviews with the local authorities settle these claims it is wise to do so with as little trouble as possible, but when they reach this Legation and become the subject of

diplomatic

diplomatic correspondence the initiatory statement should be couched in distinct, plain, brief phraseology, so that the question of law may be treated as on demurrer in the Courts.

I submit these observations for your better consideration.

I have the honor to be,
Sir,
Your obedient servant,
Charles Denby

DEPARTMENT OF STATE
APR 26 1886
RECEIVED.

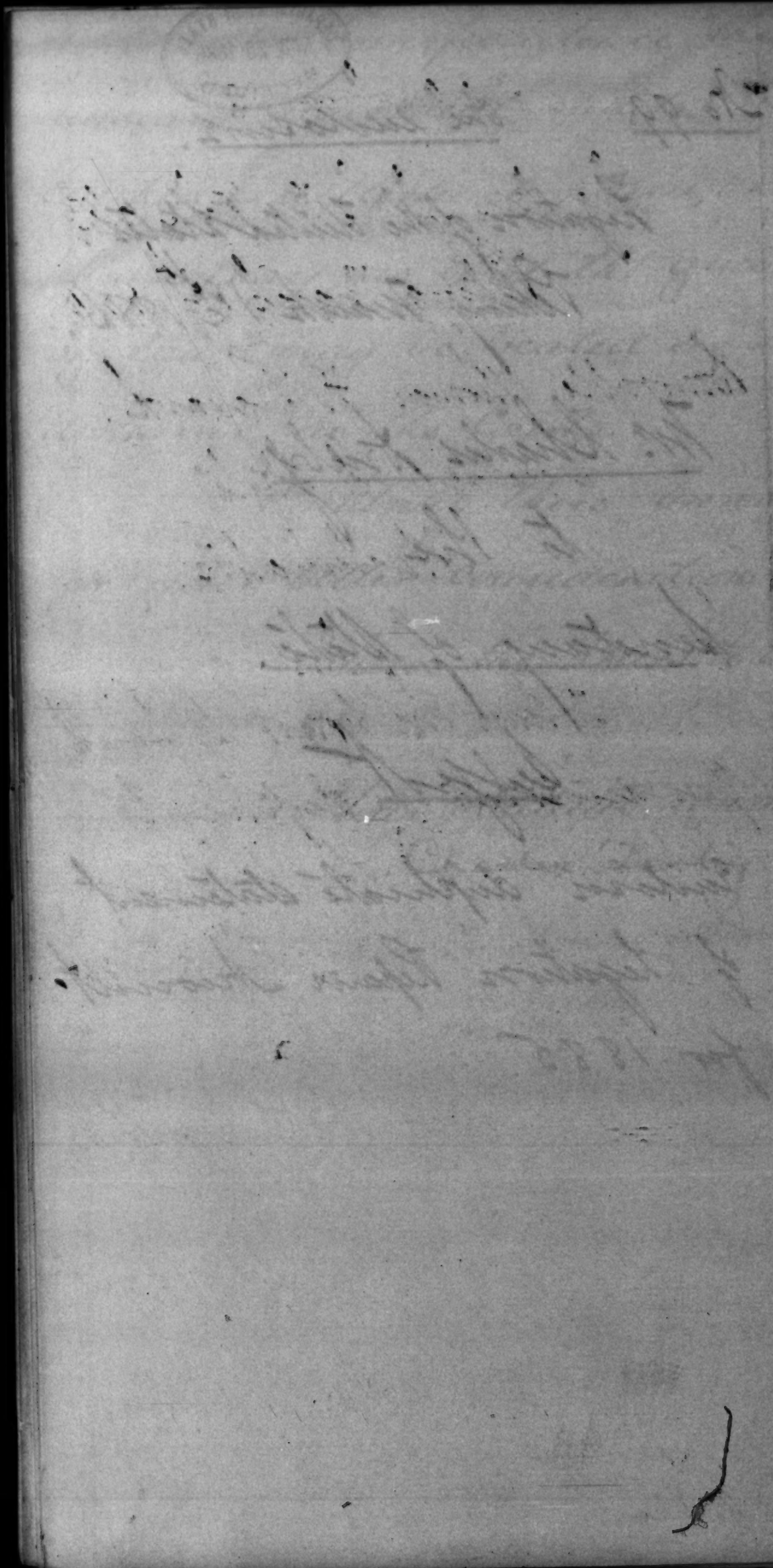
file

No 99. One enclosure.

Legation of the United States.
Peking, March 1st, 1886.

Mr. Charles Denby.
to the
Secretary of State.
Washington.

Encloses duplicate statement of Legation Repair Account for 1885.



No. 99. One enclosure

Legation of the United States.
Peking, March 1st, 1886.

Honorable Thomas F. Bayard.
Secretary of State.
Washington.

Sir:—

I have the honor to hand you enclosed, a duplicate
99. statement of the Repairs account of this Legation,
for the year 1885.

I have the honor to be,
Sir,
Your obedient servant
Charles Denby

Enclosure 1.
Duplicate statement as above.

The United States Legation in

					$	
85	From January 1st 1885					
Dec 31	To paid L Talleir	as per bill		A	33	50
" " "	P. Kieriloff	" "		B	89	45
" " "	Chang Lai	" "		C	19	-
" " "	Tsang Fin Ko	" "		D	54	15
" " "	Chang Lai	" "		E	15	50
" " "	P. Kieriloff	" "		F	42	30
" " "	Chang Chun Chi	" "		G	192	54
" " "	Do.	" "		H	95	27
" " "	Tsang Chang Ko	" "		I	55	57
" " "	P Kieriloff	" "		J	3	35
" "	balance carried forward				49	37
				$	600	-

Legation of the United States
Peking, February 16th 1886

account for repairs

1885	to December 31st 1885		Cr.
December 31	By annual allowance for repairs as per leave		
		$	600 -
1886 January 1	By balance brought forward	$	49 3

E.T.O.E.

Charles Denby
United States Minister

A

Peking 1st December 1884

United States Légation

To L. TALLIEU; Dr

HOTEL DE PEKIN,

GENERAL STORE-KEEPER.

45	Rools Wall paper à $0,70	$	31.50
1	do do do Bordure		2.-
		$	33.50

received payment

L. Tallieu

Duplicate B.

Peking, 30th November 1885

The U. S. Legation

DBT TO P. KIERULFF.

23	3 Roll Wallpaper 1.25 1 Roll Border 2.50			4	45
	2 " do 1.50 1 " do 2.50			4	
24	1 " Corners 2.50 2 " do 5.00			8	
	1 " do 3.00 3 " do 7.50			10	50.
25	5 " Border @ 2.50			12	50.
			$	39	45.

Received
P. Kierulff

Duplicate.

Legation of the United States

To Yung Lai &c

Re opening ports and rivers 19.00

Rec'd Peking Dec 3 1885

永來

D.

The Legation of the United States

To Chang Yuin Ho. Dr

To wages of Chang Yuin Ho from October 2nd to December 2nd inclusive 1885	$17.90
To Hooks, ten	.80
To Hinges, four pair copper	$2.84
To Window panes, eleven	$4.65
To Wood plank for top of window	.60
To Window sash	.60
To Bells, two for front door and office	$3.00
To Nails	.24
To Hinges, one pair iron	.40
To Wood, for door sill	.40
To Wood, for large door frame	$4.30
To Wood, for stand used in stable	$1.50
To Hooks, three pair for curtain bars	.60
To Chinese glue	.50
To Paint, brown	.12
To Charcoal, used in repairs	.05
To men employed working ordinary room floor	$6.00
To Mason's hire when employed on Kitchen drain	$2.80
To Bricks, twenty nine stone	$2.30
To " , fifty small stone	.70
To Lime used by mason	.50
To Hemp, twenty five catties, used by mason	$1.25
To Sand, two hundred and fifty catties.	$1.20
To Grate for Kitchen	.60
	$34.15

Received Pay. 楊增和 +

五

美國府糊

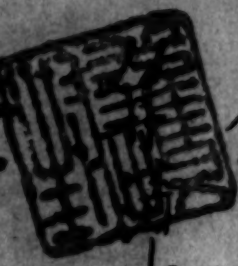
南書房二間工料共五十五吊

又糊南書房一間工料共三十五吊

東院糊西廂房一間工料共三十吊

東院糊高立紙窓戶七間共三十五吊

共用工料共一百五十五吊



次完

[illegible]

[illegible]

[illegible]

Translation

E1.

The United States Legation

Dr. To Kung Lai

For repairing two offices	Tiao	55. -
" do Chinese writers office	"	35. -
" do Servants Quarters (boundary Wall)	"	do -
" cost of Coreen paper	"	35 -
	Tiao	155. -

@ Exchange 10 tiao to a dollar

$15.50

Peking 31st October 1885. F

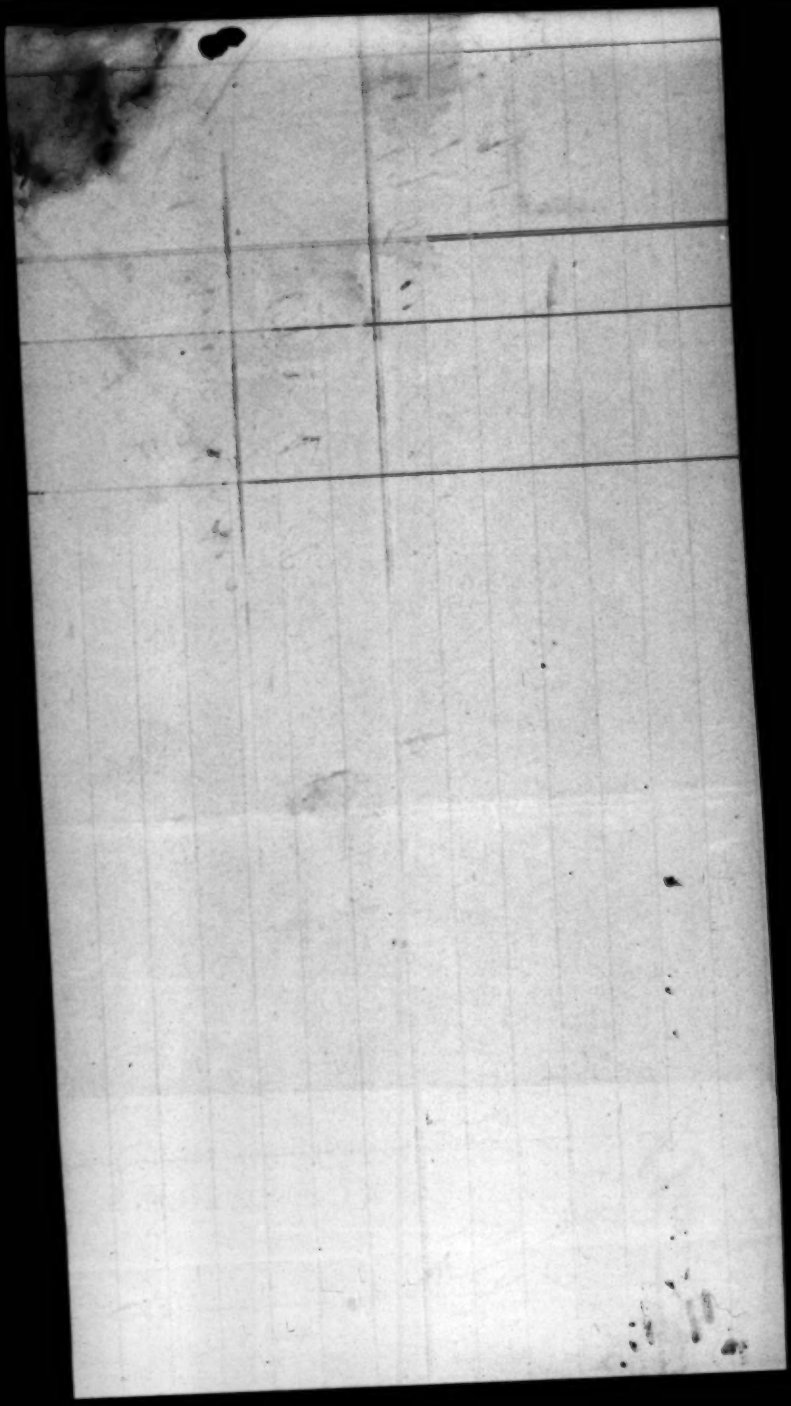
Legation

United States Legation

Dr to P. Kierulff.

Oct. 31	17	Rolls Wallpaper	11.05	2	Rolls Bordering	2.50	1	7	15
Nov. 28	15	"	9.75	1	"	2.50	1	2	25
" 29	14	"	10.50	1	"	2.50	1	3	00
								$	42 30

Received P. Kierulff



十年
十年修理縣屬馬夫房馬驅連兩各房雜修工料金銀壹拾兩
杉藤箍叁根 金弐拾文
杉板廿番刀 金叁拾文
水馬之杉廿壹根 金叁拾文
馬槽三口 金壹拾文
南馬房松板壹根 金壹拾文
叩洋弐百六十六元
叁拾 銀壹大拾兩
錢弐萬叁千壹百文 折洋弐百十三元八毛八

G

Translation

United States Register

Dr. Khang Khun Bhi

(Carpenter)

For repairing old building occupied by Regents and Majors, Southern court, Southern stable and for materials and Carpenter work done to Western court during Great Stone Prison

1884 and 1886 Tls 120.

For rope for flag staff	hire	3.-
Pays 5 carpenters various sorts		14.80
Rattan, twine & hair		3.74
1 stall post and 3 post bars for stable		169.-
11 posts, iron work &c for northern stables		55.-
	hire	245.540.
		$ 25.88.
120 Tls @ 72 =		166.66
		$ 192.54

青島民政署 金拾弐円八拾銭也
油匠壱名 金参円也
像似居物柳行李物置戸 金参拾銭也
油地板五枚 洋弐拾五元
破璃戸壱枚 金壱円也
泥土六名 金参円八拾銭也
大振鳥参羽 金六拾銭也
車賃弐人 金壱円也

除去旧料下ケ人 洋銭六拾元
銭参拾参銭参厘 金壱円也
弐十三年分

と

大破璃六枚 金弐円也
傭房新築 金壱円也
飯吹新築材 洋弐拾五元
東内年格子扇の扁
板框全ク鉄活 金壱円五拾銭也
風呂六名 金参円六拾銭也
蒲団の干賃 金壱円也
苑辺の片付 金八十銭也

洋銭弐拾弐元

Translation.

United States Legation.

Ts'ai Chang Chun Chi.

(Carpenter)

Repairs to Secy's house and Servants quarters

	Mex	
For lime	50.800.	
6 pans glass	26.200	
1 painter	3.-	
planks for storeroom	70.-	
Repairs to pantry	34.600	
Lath + plastering dining room		45.-
Painting for room		15.-
Repairs to door, hanging it, East room	115.-	
6 pans glass	7.-	
6 mason	15.600	
6 coolies	10.800	
4 catties of hair	2.-	
10 tiles	600	
4 "	480	
8 doors for East house	24.-	
	360.080	
less value old materials	25.-	
	335.080 =	35.27
		$ 95.27

The United States Legation

To Yang Ching Hou Dr.

To wages for himself from Dec. 1st 1875 to January 5th 1876, and wages for hired assistant for fifteen days	$11.70
To one wood plank	.75
To red paint	.12
To charcoal	.12
To glue	.70
To three hinges	.46
To earth for mortar	.05
To sand for mortar	.45
To one iron plate	.70
To hire for one mason	.70
To lime	.50
To repairs on house	$13.50
To papering laundry	$2.00
To repairs on laundry	$2.50
To papering and repairing grates	$6.00
To repairing laundry	$7.00
To carpenter work	$3.50
To papering	4.50
	$53.37

Received Payment. 楊增和收

1775
October
Nacht.
Decbr.

J.

Peking, 1st January 1886

U. S. Legation Peking.

Dbt TO P. KIERULFF.

75				
Octr	10.	2 Sets Pulleys.	1.	
Octr.	4	1 Roll Wallpaper 60 Screws 80		80.
Decr	9.	6 Hooks. 15 Hinges 35		50.
	15	2 " 20 1 Lock 50		70.
	18.	1 Pair Hinges.		35
			$ 3	35

Received payment from
H. E. Ch Denby
P. Kierulff

DEPARTMENT OF STATE
APR 26 1886
RECEIVED.

No 100. one enclosure.

Legation of the United States.
Peking, March 1st 1886.

Mr. Charles Denby.
to the
Secretary of State
Subject.

Encloses duplicate Statement of Rent Account for Fourth Quarter 1885

F. M. Gill

No 100. one enclosure.

Legation of the United States.
Peking, March 1st, 1886.

Honorable Thomas F. Bayard,
Secretary of State,
Washington

Sir:—

I have the honor to hand you enclosed, duplicate statement of the Rent account of this Legation for the Fourth Quarter 1885.

I have the honor to be,
Sir,
Your obedient Servant,
Charles Denby

100.

Enclosure 1.
Duplicate statement as above.

DEPARTMENT OF STATE
APR 26 1886
RECEIVED.

No 101. one enclosure.

Legation of the United States.
Peking, March 1st, 1886.

Mr. Charles Denby
to the
Secretary of State

Subject

Enclosed duplicate statement of Telegram Account for January 1886.

Filed

No 101. one enclosure.

Legation of the United States.
Peking, March 1st, 1886.

Honorable Thomas F. Bayard,
Secretary of State,
Washington.

Sir:—

I have the honor to
transmit you herewith,
101. duplicate statement of my
official telegrams sent
for the month of January,
1886.

I have the honor to be,
Sir,
Your obedient servant
Charles Denby

Enclosure 1. Duplicate statement as above.

No. 102.

DEPARTMENT OF STATE
APR 26 1886
RECEIVED.

File

Mr Emmett.

27

Legation of the United States.

Peking, March 3rd 1886.

Colonel Denby to the

Secretary of State.

Subject.

Acknowledging receipt of despatches.

No. 102.

Legation of the United States.

Peking, March 3rd 1886.

To the Honorable,

Thomas F. Bayard,

Secretary of State,

Washington, D. C.

Sir:

I have the honor to acknowledge the receipt of your despatches numbered 26 to 34 inclusively, together with enclosures.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

DEPARTMENT OF STATE
APR 26 1886
RECEIVED.

No 103. One enclosure.

Legation of the United States.
Peking, March 4th 1886.

Mr. Charles Denby
to the
Secretary of State

Subject
Translation Telegram
account for February
1886.

No 103. One enclosure.

Legation of the United States.
Peking, March 4th, 1886.

Honorable Thomas F. Bayard,
Secretary of State.
Washington.

Sir:—

I have the honor to hand you enclosed, a statement
103. of my account for Official
Telegrams for the month
of February 1886.

I have the honor to be,
Sir,
Your obedient Servant
Charles Denby

Enclosure 1. Statement as above.

No [redacted]

Telegram.

Bayard

Washington

Yamen complains
bitterly of late outrages.

Denby

Peking, February 19th 1886.

DEPARTMENT OF STATE
APR 26 1886
RECEIVED.

No. 104.

W. Rovatt

Legation of the United States.

Peking March 4th 1886.

BY ASSISTANT SECRETARY
accept. mem. and.
May 2. 86 - cir. to
To Mr. J. A. Begg
APR 26 1886 May 3. 86 cir. to

Colonel Denby to the

Secretary of State.

Subject.

The tax on kerosene oil at Canton.

Synopsis.

The tax on petroleum is likin.
History set forth in Despatch
57. Settlement of question remote.
Foreign Ministers have ceased to
discuss it. Only remedy a new
treaty.

One enclosure.

No. 104.

Legation of the United States,
Peking March 14th 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington, D. C.

Sir:

As a further acknowledgement of your despatch No. 31, of December 31st last, in reference to the tax imposed at Canton in 1882, of forty cents per case on petroleum, in addition to the regular duty upon that commodity, and asking for a report as to the present status of the matter, I have the honor to report as follows.

The tax of forty cents per

per case on petroleum imported into Canton as an internal revenue tax, or likin, which is only exacted on this merchandise after it has passed into native hands. The history of the tax in question, has been fully set forth in my report on the likin question, No 57, of the 18th Dec., 1885, to which I beg to refer the Department. As regards the importation of kerosene oil into Canton the facts are briefly as follows. Nearly all the imports into Canton are made from HongKong, which is the great entrepôt for American kerosene oil. The kerosene is purchased from the Canton agents of HongKong firms and shipped from the

the latter port in native junks, which do not pass through the foreign Customs House at Canton. The likin tax levied at Canton by the farmer of this tax cannot well be prosecuted by any diplomatic action, unless a satisfactory settlement of the whole likin question is reached, and, although some slight concessions have been made by the Tsung-li Yamên, as reported in my despatch No 89 of February 5th 1886, a general solution of the question appears as remote as ever.

The answer of the Tsung-li Yamên to Mr. Young's despatch, calling their attention to the increased likin on kerosene, is emphatic and disposes of the

question

question. The question as to how
"foreign merchandise after it has
"been transported to the interior
"and sold to Chinese merchants
"shall be dealt with is one that
"rests solely within the sovereignty
"of China".

The views held by the
Tsung-li Yamên agree with those
expressed by the Department in
the letter to Messrs Frazar and Co.,
on this Revenue liking question, under
date May 21st 1885, enclosed in your
despatch No. 443 of June 23rd 1885.
In it you say "that the tax was
"in violation of treaty stipulations
"makes no difference. His Government
"would not permit such a position
"to be taken against it in respect
"to the Japan Treaty, or to our tariff
"legislation. The United States

have

"have unvariably maintained
"as a matter of domestic law
"that a duly imposed tax
"repealed prior treaty stipulations,
"and we must hold the same
"view now as to Chinese."

The likin question has
for many years been one of the most
embarrassing that the Foreign
Representatives in China have
had to deal with, and the
measure of success of their
negotiations with the Tsung-li
Yamên has been small, as a
reference to my despatch No. 89
on the subject will show. Since
my arrival in Peking the question
has been several times considered
in Diplomatic conferences, and
I have found all my colleagues
disinclined

disinclined to take up the question anew. Recently the German Minister obtained certain concessions relating to the suppression of differential duties, and the publication of the likin tariffs, and of the places where likin stations exist, but he only obtained these concessions, as I have been reliably informed, through the fact that Germany agreed to the Salisbury-Tsung opium convention, which it was feared she would not do.

It may be seen by reference to the enclosed extract from a despatch from the Tsungli Yamên to Mr. von Brandt, in what light the Chinese Government considers the likin

10

systems

system, the inequalities to which they deplore.

The system is, however, an important part of the revenue system of China, and, according to Chinese theories, an indispensable one.

The opium convention, by which the full amount of the likin dues will be levied at the same time as the import duty, is expected to be applied within a short time. If this method proves a success, which with even a superficial knowledge of Chinese official ways seems to be improbable, it might, by the conclusion of a new treaty, be extended to other kinds of merchandize

merchandize, till of this nothing definite can be said until the experiment on opium has had a fair trial.

If our Government is desirous of relieving our Kerosene oil trade with China from the burden imposed on it by the levy of likin, which is a duly imposed tax sanctioned by the Chinese Government, the only method which suggests itself is the conclusion of a new treaty.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Enclosure.

1. Extract from Tsung-li Yamen to H.E. Hon. von Brandt - Jan. 28th 1886. an enclosure in Mis. No 12/1886, Feb 3rd 1886. M. von Brandt to Col. Denby.

Enclosure 1 in No. 104.

Extract - Tsung-li Yamên to H.C.M. von Brandt - January 28th 1886.

"- - - - - - - the Yamên has the honor to state that the circumstances, under which, as a means of increasing the revenue of the Government, Likin is levied, are not the same in all provinces.

Consequently the mode of proceding in levying it undergoes likewise many modifications; the distances of the places in the interior to which merchandize is carried from the different ports on the coast are now greater now shorter; the number of likin stations is increased at one time and reduced at another, and also the amount of the likin itself cannot always and everywhere be levied according to an uniform principle. Whether in fact there occur any irregularities and

malpractices

malpractices it is difficult for us to judge of, or guess, from afar. - - - - - - - - "

No. 105. file Wm Everett 27

Legation of the United States.

Peking, March 4th 1886.

3rd ASSISTANT SECRETARY
Ackd by No. + file
APR 27 1886.

Colonel Denby to the

Secretary of State.

Subject.

Sequel to the attack on Messrs Woodall and Dugdon at Chinkiang.

Synopsis.

Accounts examined and found correct and three hundred additional blows given to the Contractor.

No. 105.

Legation of the United States.

Peking, March 4th, 1886.

To the Honorable,

Thomas F. Bayard,

Secretary of State,

Washington, D. C.

Sir:

I have the honor to report the sequel to the outrage on the two American Missionaries at Chinkiang. After the ring-leaders in the emeute had been punished for the unlawful arrest, the Consul, Mr. Bergholz, and a deputy of the Intendant went over the accounts of the Missionaries. They discovered that the Missionaries had fully paid the Contractor.

The

The deputy expressed to the Missionaries his regret for the attack on them and said it would afford him pleasure to state to the Intendant that they had treated the Contractor with perfect justice. The Contractor then received three hundred additional blows.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

DEPARTMENT OF STATE
APR 26 1886
RECEIVED.

Legation of the United States,
Peking, March 5. 1886

Mr. W. W. Rockhill to the
Secretary of State.

No. 11

Subject.
Salary account fourth quarter
1885.

WWR

One Inclosure.

Legation of the United States,
Peking, March 5th, 1886.

The Honorable
Thomas F. Bayard
Secretary of State
Washington. D.C.

Sir,

I have the honor to forward to you herewith my account for salary for the fourth quarter 1885, together with the voucher for sale of draft.

I have the honor to be,
Sir,
Your obedient servant
W. W. Rockhill
Secretary of Legation.

Inclosure
1- Salary account as above

DEPARTMENT OF STATE
APR 26 1886
RECEIVED.

/

Legation of the United States,
Peking, March 5. 1886.

Mr. W. W. Rockhill
to the
Secretary of State.

Subject.

Account for loss by exchange
on salary for 1885.

WM

One Inclosure.

Legation of the United States,
Peking, March 5th, 1886.

The Honorable
Thomas F. Bayard
Secretary of State.
Washington. D.C.

Sir,

I have the honor to forward to you herewith my account for losses by exchange on my salary drafts for the year 1885, amounting to forty four dollars sixty six cents U.S. gold currency ($44\frac{66}{100}$).

I have drawn on you for this amount, and respectfully request that my draft be honored

honored on presentation.

I have the honor to be,

Sir,

Your obedient servant,

W. W. Rockhill

Secretary of Legation.

Inclosure.

1— Account for losses by exchange as above.

If any printed, note the omission

No. 106.

DEPARTMENT OF STATE
APR 26 1886
RECEIVED.

ASSISTANT SECRETARY
Ack[d] as read with much interest. ap. 28.86
APR 26 1886

Mr Lovett
27

Legation of the United States,
Peking March 8th 1886.

Colonel Denby to the
Secretary of State.

Subject.

Railroads in China.

Synopsis.

No probability of an immediate inauguration of rail-road building. Argument in favor of public improvements being submitted to Americans.

No. 106.

Legation of the United States,
Peking, March 8th, 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington, D.C.

Sir:

You may perhaps see in the North China News attacks on all the foreign ministers in Peking, except the English, on account of alleged use of official position to advance railroad and other interests.

I meet all such allegations with a flat denial. I have officially done nothing relative to any enterprise whatever. I have, on proper occasions, conversed with Chinese gentlemen, and

and have used certain arguments in favor, first of the construction of railways by China, and, secondly, in promotion of American interests.

The argument in favor of building railroads and of entrusting these enterprises to Americans is overwhelming, and no unprejudiced mind can fail to apprehend it. China has, one by one, lost her buttresses by means of which she has kept out the outer world. She has lost Corea, Tongking, Annam, Burmah, and large territory taken by Russia. The outside barbarian is on her frontier. She must rely on her internal strength and progress to maintain her position among nations. Her Grand Canal,

as

as lately reported by General Wilson, is almost a wreck. It costs her more to get her tribute rice to Peking than its market value. The Yellow River overflows its banks every year and carries ruin and destruction to thousands of people. To put the Canal in order will cost as much as to build a railway, and, owing to the damage that the river is liable to do it, repairs would be needed every year. To enable the Chinese Government to exist railroads are a necessity.

The history of the world teaches that a weak

Government

Government indebted to a strong one loses its independence. This has been the history of Turkey Egypt and some South American States. If China contracts obligations to England, Germany, or Russia her fate in the end will be that of those countries. She has nothing to fear from the United States. Our Government would not officially be known in business transactions.

China has nothing to dread from American employees. The policy of the United States to avoid entangling alliances with other nations, and not to acquire foreign soil makes her citizens abroad, assuming duties to another

Government

Government, simply faithful servants. They have no ulterior ends to serve. There is little danger of war between the United States and China. In the event of war between China and any European Power the European employees would do as the Germans did during the French war, resign. Americans would retain their positions.

The similarity between the United States and China geographically, the immense distances to overcome, the vast experience of American engineers and contractors, are all reasons for adopting the American system. We have built more miles of railroad than almost all the world.

There

There will be difficulty in the United States in loaning China money. Owing to the uncertain condition of the silver question capitalists are loath to engage in new enterprises. The argument in favor of letting the contracts to the representatives of the nation where the money was loaned would be strong.

But I repeat what I said in a former despatch, that, from the best information I can get here, I do not believe that China will now embark in railroad construction. There is an expressed desire to wait until the Emperor becomes of age - next year - and to let him take the initiative. Chinese officials dread to sanction any innovations

innovation. [In this roluntical government it may mean the boortring.] Railroads will come in time beyond a doubt but that may be postponed for years. All the talk about Semuan and other syndicates having concessions is absolutely false. There has been no Imperial Decree to build railroads. omit

[Unless otherwise instructed by you I shall not cease, in a quiet, unofficial way, to labor to the advantage of my fellow citizens.] I am firmly convinced that a great increase of trade would follow the inauguration of railroads, that likin would be abolished, and, no matter who builds the roads, omit

That

that we would derive great advantage. But I desire to keep you thoroughly posted on the phases of this question, so that our people at home may act intelligently.

There is some talk of conferring on Genl Wilson some official position, as Military Adviser or Director General of Public Improvements, but no definite proposal has been made to him.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

DEPARTMENT OF STATE
APR 26 1886
RECEIVED.

No. 107. Answ. 30 April 86
Dispatches.

Legation of the United States,
Peking, March 10th, 1886.

Colonel Denby to the
Secretary of State

Subject
A discussion of the Pres's Message.

Synopsis

Constitutional rights of several States to control immigration subject to treaty stipulations only.
Injurious effect of sentimentalism on Chinese question. Absolute necessity of protecting Americans in China. Real reciprocity not desirable because of immense numbers of the Chinese. Apparent reciprocity may be secured.
Suggestions as to treaty. Treaty might provide for immigration of certain classes only.
Relations between the two countries strained
Administration did settle the question in accordance with doctrine of States Rights.
Commission to make new treaty suggested.
Or Minister will visit the United States if ordered to do so.
Matters herein simply suggestions subject to modification after Minister's tour to south of China.
Attention called to "favored nation" clause in all treaties

No. 107.

Legation of the United States,
Peking, March 10th 1886.

To the Honorable
Thomas F. Bayard,
Secretary of State,
Washington D.C.

Sir:

I have the honor to report that I have read with great interest, and entire approval, that portion of the President's Message relating to China.

If you will not consider that I am overstepping the bounds of propriety, I will offer a few observations on that portion of the Message.

There is no doubt of the truth of the proposition contained in

in this sentence - "The admitted
"right of a Government to protect
"the influence of elements hostile to
"its internal peace and security
"may not be questioned, except
"when there is no treaty stipulation
"on the subject."

Subject to the provision
in Section 1, Article IV, (P 31 R. S.)
of the Amendments to the
Constitution, that "No State shall
"make or enforce any law which
"shall abridge the privileges or
"immunities of citizens of the
"United States," and subject also
to Article VI, Sec 2 (P. 27 R. S.), "all
"treaties made, or which shall be
"made, under the authority of the
"United States, shall be the
"supreme law of the land," it
can not be questioned that the
right

right above claimed for the United States, exists, also, in the States individually.

The source of this proposition is found in Art. I, Sec 9 (P. 21 R.S.) - "The "immigration, or importation, of "such persons as any of the "states now existing shall "think proper to admit, shall "not be prohibited" etc..

In 1852, Indiana adopted a Constitution which absolutely prohibited colored people from coming into the State. As a result of the war this provision fell under the

Amendments

amendments to the Federal Constitution which made negroes citizens of the United States, but the power of the State to adopt, and enforce by appropriate legislation, this clause was not doubted while the amendments were adopted.

There is, therefore, nothing but the treaties with China which prohibits any state from excluding the Chinese from its limits.

In the time of Mr. Burlingame there was little thought given to the effect of unlimited immigration. It was fashionable then to dominate business interests by sentimental opinions as to the supposed rights of man and the

the doctrine of general brotherhood. Far-reaching statesmanship would have foreseen and guarded against the danger of allowing the untold millions of the East to take possession of the golden shores of California. But in the rush of sentimentalism, and the mistaken notion of our duty to Christianize the world, at all risks to ourselves, no one foresaw the evils of unlimited immigration.

In the treatment of the "Chinese question" it must always be borne in mind that we have great interests in China. We have many resident Americans including the great numbers of Missionaries. They must be protected.

Judge

Judge Field's otherwise able argument, in his dissenting opinion in the case of Chew Kwong, is faulty in laying so much stress on reciprocity. He shows how the treaties in their operation are not reciprocal, that the Chinese have more rights in the United States than Americans have in China. But, if the Chinese had the right of unrestricted immigration to certain open ports in the United States, as the Americans have here, and thereby Chinese immigration were confined to certain designated ports, the people of those ports would not quietly submit to their unrestricted domiciliation in their midst.

The

The American laborer does not desire to come to China; the Chinese laborer does desire to go to the United States. The American laborer demands the exclusion of the Chinese, he will, therefore, consent to his own exclusion from China. A treaty might be framed that should be absolutely reciprocal, so that the Chinese Government would not object to it, which would operate as a restriction on further immigration. It might provide that no American laborer, unless in the employ of the Chinese

Government

Government, shall ever go to China.

No Chinese laborer, unless under like conditions, shall ever go to the United States.

No American laborer leaving China shall ever return to China.

No Chinese laborer leaving the United States shall ever return thereto.

No American shall go to China, for the purpose of following any avocation whatever, unless his Government shall issue to him a certificate, authorizing him so to do.

No Chinese shall ever go to the United States, for the purpose of pursuing any avocation whatsoever, unless his

his government shall issue to him a like certificate.

It shall be lawful to apply these rules to any person of either nationality, no matter from what portion of the globe he may go to the United States or China.

The only evidence of the right of persons of either nationality, no matter from what portion of the globe he may go, to go to the United States or China shall be the certificate above mentioned.

Such certificate shall be visaed by the Consuls of the respective nationalities at the port of embarkation of the emigrant.

No certificate shall be recognized

recognized that is not issued by the Imperial Government of China, or the Government of the United States.

It shall be competent to enforce these treaty stipulations by appropriate legislation.

The treaty might go further, and might specify that no classes of people might be granted certificate, except those who are engaged in the professions, merchandizing, or in the inculcation of religious truths, reserving to travellers the right to visit either country temporarily.

I do not intend these suggestions as recommendations. I intended to withhold any remarks on these

these questions until after I
have made the tour of China.
But words are pressing. It is
plain that the relations between
China and the United States
are strained. Today, in Peking,
we have a rumor, which
started in the Customs, that
the Chinese in San Francisco
have been massacred. My
private advices, from trustworthy
sources, are that public
opinion in California is at
a white heat. Any general
emeute in California would
seriously endanger the lives
of Americans in China. Since

my

my arrival here there have
been two cases of outrages,
one threatened and one
accomplished. I have reported
them to the Department. They
were dealt with immediately
by the local authorities. The
offenders were caught,
bastinoed and imprisoned.
The Chinese do not understand
why we can not treat
analogous evils in the United
States in the same prompt
manner. At every turn this
question meets me unpleasantly.
I hear it from my colleagues,
from the Yamên and from
the American residents. It would
be a great glory and pride
for this Administration to settle,
once for all, this question, and
put

put the correlative rights of the two nations on a firm basis. For the sake of the Americans in China, with whose interests I am charged, there must be some final and satisfactory solution arrived at. Their conditions seems to be overlooked by the politician and the press. Here are a handful of Americans surrounded by four hundred million Asiatics. Their future occasions me serious thought. I am not at all carried away by undue interest in the Missionaries. To me they are American citizens merely. But they are here, with their wives and children, doing what they think "God's work." I would sacrifice my life to protect them

them as coolly as I exposed it heretofore in battle.

I recognize the rights of the people at home. I have never been able to get over my inborn respect for the principle which lies at the foundation of the American system - States Rights. I would go very far to insure to each state the absolute right to manage its domestic matters in its own way. If the people of California, almost unanimously, as they do, object to Chinese immigration, the Statesman should find a way to settle the question in accordance with their views. We settled the negro question, we settled polygamy. We have now upon us the great question of the local

local self-government as applied to the question of immigration. In it there looms up the threatening labor question. I believe that our country is great enough under its wise Prudent, and under your skilled and pure control, to settle this Chinese Question also, without resorting to outrages which disgust mankind and endanger the lives of thousands of innocent people.

I suggest for your consideration the propriety of creating a commission to come to China, and settle forever the

the troublesome questions now pending, the question of internal taxation of foreign goods, the international rights of the Chinese, the extraterritorial jurisdiction, the right of foreigners to manufacture in China, and many others that would naturally arise. Or, if the Department chose to order me, I would go to the United States and discuss these questions, man-fashion, with all comers, and return with positive and definite instructions.

I desire distinctly to state that the suggestions herein before made are subject to any modifications that may occur to me after I shall have

have visited the south of China. It is understood that the emigration to the United States goes mainly from the province of which Canton is the chief city, Kwang-Tung. I do not think that in the north of China these questions are much considered. I am satisfied that the Government does not care to promote or favor emigration. There is one other view worthy of your attention. Under the "favored nation" clause of the various treaties, all nations are interested in the treaties which are made by any one nation. As to bounties, they are all claimed to accrue to all nations if one nation secures them. The doctrine of

disabilities

disabilities is not so liberally applied.

Any treaty gotten up by us might, therefore, affect the whole outside world. Negotiations to make such treaty would, consequently be watched with interest by all foreign powers. The negotiation of such treaty would take a wide scope, and as to restrictions, as well as to new powers, would have to be very carefully considered.

I readily see that the mutual restrictions suggested herein may be objectionable to you and to the people of the United States. You may conclude that we surrender more apparent rights than it is necessary to do, to accomplish our purpose.

I simply and roughly suggest, an outline, subject to all manner of change or modifications. Persons charged with the negotiation of such treaty would surrender as little of the rights of Americans now existing, as possible, and secure from China all the rights that could be secured. I recognize the disinclination to restrict Americans at all, in dealing with China, but, after all, to catch the Chinese there must at least be apparent reciprocity.

I have the honor to be, Sir,

Your obedient servant,

Charles Denby

DEPARTMENT OF STATE
APR 26 1886
RECEIVED.

No 108. One enclosure.

Legation of the United States.
Peking, March 10th 1886.

Hon. Charles Denby
to the
Secretary of State.

Subject.

Transmitting duplicate statement of Telegram account for February. 1886.

T. M. Field

No 108. One enclosure.

Legation of the United States.
Peking, March 10th, 1886.

Honorable Thomas F. Bayard.
Secretary of State.
Washington

Sir:— I have the honor to hand you enclosed, a duplicate
1/108. statement of my account for official telegrams during the month of February.

I have the honor to be,
Sir,
Your obedient servant
Charles Denby

Enclosure 1. Statement as above.

No. 109.

Acted May 19 – Ho circ'd

APR 27 1886

DEPARTMENT OF STATE
APR 26 1886
RECEIVED.

Mr Everett
27

Legation of the United States.
Peking March 15th 1886.

Colonel Denby to the
Secretary of State.

Subject.
Excitement at Canton

Synopsis.

Encl. tel. rec'd from Canton excitement against American citizens because of trouble in U.S. with Chinese, and encl. copy of despatch sent to Yamen about the matter. Hopes the danger of an outbreak is now over. U.S.S. Monocacy ordered to Canton.

No. 109.

Legation of the United States,
Peking, March 10th 1886.

To the Honorable,
Thomas F. Bayard
Secretary of State,
Washington, D.C.

Sir:

I have the honor to forward to you herewith copy of a telegram which I have received from the Actg Consul General at Shanghai, stating that he was in receipt of a telegram from our Consul at Canton, saying that much excitement prevailed at that place on account of the President of the United States having refused to entertain the claims for indemnity, presented by the

the Chinese Minister, for losses sustained by Chinese, during the recent anti-Chinese riots.

On receipt of the above I addressed a despatch to the Tsungli Yamên, requiring them to take the necessary measures for preventing any trouble at Canton. I expressed the horror which I felt at the recent outrages in America, but a repetition of the same thing, on the part of the Chinese, would neither be a justification, nor lead to a solution of the difficulty. I concluded by expressing my confidence that a satisfactory solution of the question would be speedily reached by following the ordinary diplomatic methods.

2/109

D

I have not yet received the answer of the Yamên, but I will forward it as soon as it comes to hand.

Further information, received from private source, leads me to believe that the danger of an attack at Canton may have passed. It is difficult, however, to be sure of a peaceful solution of the difficulty, as the population of Canton is the most excitable and troublesome of all of the treaty ports, and, in the present case, the excitement is kept up by telegrams from the

the Chinese in America which are posted throughout the city.

The U. S. S. "Monocacy", which has been stationed at Newchwang during the winter, and on board of which I expected to visit the Treaty ports, has received orders to proceed at once to Canton, where there is, at present, only one foreign gun-boat stationed.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Enclosures -

1. Mr. Smithers to Mr Denby
   Telegram March 6th 1886.
2. Mr Denby to Tsung-li Yamên
   No. 4 March 7th 1886.

Enclosure 1 in No. 109.

Telegram.

Shanghai March 6th 1886 - 9.H. 35 m. P.M.

Derby American Minister
Peking Seymour telegraphs
excitement increasing Canton
Hongkong papers publish
telegrams about president
refusing entertain claims
indemnity and Viceroy telegrams
Chinese Legation Washington
intimating specials unless
indemnity allowed

Smithers.

Enclosure 2 in No. 109 Copy.

Mr. Denby to Foreign Office.

No. 4. March 7th 1886.

Your Imperial Highness and Your Excellencies:

I have the honor to state that I have received from the Consul General of the United States at Shanghai a telegraphic despatch stating that there is great excitement at Canton against Americans, owing to the late outrages in America, and that the Viceroy has telegraphed the Chinese Legation at Washington intimating the intention to inaugurate in China a system of outrage and violence. I trust that this telegram has no real foundation.

I beg leave to represent that outrage and wrong against innocent people do not

constitute

constitute any answer or justification for other wrongs. While no one regrets more than I do the perpetration of injuries on the Chinese, yet it is plain that this subject should be settled by the proper authorities of the two governments and that further violence or outrage will serve simply to complicate such settlement.

As a matter of precaution I request Your Imperial Highness and Your Excellencies to take proper and immediate steps to quiet the public mind, and to prevent any recourse to violence on the part of either the authorities or the people. Two great nations like Your Honorable Country and mine can certainly with dignity and

Moderation

moderation, and by the use of diplomatic methods, settle and arrange all questions that may arise between them.

I have no advices from the U.S. as to the action of the Government, and I beg leave to express the hope that some satisfactory solution will be found for the present complications, and the traditional friendship between the two nations will not be disturbed.

I avail myself of this opportunity to renew to Your Imperial Highness and Your Excellencies the assurance of my highest consideration.

(sigd) Charles Denby

file



No. 110.

Mr Everett
27

Legation of the United States.
Peking, March 12th 1886.

Colonel Denby to the
Secretary of State.

Subject.
Acknowledging receipt of
despatches.

No. 110.

Legation of the United States.
Peking, March 12th, 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State.
Washington, D.C.

Sir:

I have the honor to acknowledge the receipt of your despatches numbered 35 to 38 inclusive, together with circular of January 18th 1886, calling for report on currency.

I have the honor to be,
Sir,
Your obedient servant,
Charles Denby

Mr. Everett
May 1

DEPARTMENT OF STATE
APR 26 1886
RECEIVED.

No. 111.

acks. from mems by
a.a.g. for Wharton
May 1st 86
cmtr

Legation of the United States.
Peking, March 2d, 1886.

Colonel Denby to the
Secretary of State.

Subject.

Right of American citizen to
lease rooms for opium business.

Synopsis

Receipt of telegram from Consul Bergholz
making inquiry. Minister replies in
negative. Absence from Legation of
Acts of Congress containing enforcing
clause for treaty of 1880.

Two enclosures.

No. 111.

Legation of the United States.
Peking, March 12, 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington D. C.

Sir:

I have the honor to forward
to you herewith copy of a
telegram which I have received
from Mr. Berghoty, our Vice-Consul
at Chinkiang, asking the Legation
if any American merchant might
sublet part of the premises occupied
by him to a British subject, who
desired to use it for the opium
business.

As Article II of our treaty
of 1880 appears to deny any right

1/111

to

to American citizens, not only to transport opium, but to facilitate the trade, I replied to Mr. Berglioly's telegram, saying that the prohibition to transport implied also the prohibition to furnish facilities.

2/111

This Legation has unfortunately not received copies of the Acts of Congress since 1882. I am, therefore, not aware whether there has been any legislation to enforce the stipulations of the treaty of 1880. It appears very desirable that the volumes of the Acts of Congress which have appeared since 1882, should be forwarded to the Legation.

I have the honor to be,

Sir

Sir,

Your obedient servant,

Charles Denby

Enclosures.

1. Mr. Bergholz to Mr. Denby
telegram March 10th 1886.

2. Mr. Denby to Mr. Bergholz
telegram March 11th 1886.

Enclosure 1 in No. 111.

Telegram.

Chinkiang, March 10th, 1886.

"R. P. American Minister,
Peking.

Can American merchant
lease of house in which he
transacts his own business allow
British merchant to use
portion for opium business,
Bergholz"

Enclosure 2 in No. 111.

Telegram.

Peking, March 11th, 1886.

"Bergholz - Chinkiang.

Prohibition to transport implies prohibition to furnish facilities. Kaudoff. Denby."

OFFICE OF SOLICITOR,

DEPARTMENT OF STATE,

WASHINGTON, Apr. 27, 1886.

I think it very doubtful whether the treaty precludes such a sublease as that here noticed, though I should be very unwilling to differ on this point from Mr. Derby, who knows more of the Conditions of things than I do. But I certainly agree ~~with Mr. Adee~~ that if this clause in the treaty as to opium is dependent on legislation, it cannot be acted on until legislation takes place.

J. C. W.

Mr. Everett

I think you should incorporate Dr Wharton's mem. as far as you can, to save Mr. Derby's feelings. He is a good lawyer, and is on the spot.

8th ASSISTANT SECRETARY
APR 27 1886

Mr Everett

Ans. Send vols of Statutes since 1882 (vols 22 and 23) No legislation yet adopted to execute opium clause of treaty of 1880.

As to the point presented. The prohibition of Art II of the treaty of 1880 not only covers the importation, transportation, purchase or sale of opium by American citizens in China, but extends also to vessels owned by such citizens, whether employed by themselves or by others, in

the opium trade. Logically, a building, owned by an American citizen and used by another person for the storage of opium, would come within the extended prohibition. There may be room to question whether, as the treaty stands, the prohibition as to an american owned vessel employed by "other persons" in the opium trade is not strictly limited to cases where such "other persons" are agents or factors of the American owner, or where the owner is privy to the unlawful use to which his property is to be put. The intent, however, is

clear, that no American citizen in China shall ~~[illegible]~~ knowingly engage in or aid others to carry on the opium traffic.

The provision of the treaty is not self executing. The enforcement of the prohibition, as to American citizens in China is expressly dependent upon "appropriate legislation" on the part of the United States. It is only such legislation that consuls of the U.S. in China can enforce judicially. In the absence of such legislation, it is, to say the least, doubtful

whether a Consul could lawfully interfere to prevent an American citizen from doing an act not in itself contrary to international law or the domestic law of China.

If, however, the contemplated employment of the American owned premises by a British subject be opposed by China, and the lease sought to be prevented by them, the Consul would be justified in withholding his approval from the sub-lease.

Abb

No. 112.

Copy to Treasury May 18 86 Austin

DEPARTMENT OF STATE
MAY 17 1886
RECEIVED

Mr Everett
17

Legation of the United States,
Peking, March 16th, 1886.

Colonel Denby to the
Secretary of State.

Subject.

Reply to circular of Jan. 18th 1886.

No. 112.

Legation of the United States,
Peking, March 16th, 1886.

To the Honorable
Thomas F. Bayard,
Secretary of State.
Washington, D.C.

Sir:

In reply to your Circular of January 18th last, calling for a report on the coinage, production, consumption, import and export of the precious metals, etc., of China, I have the honor to answer seriatim the interrogatories therein propounded.

1. The legal unit of account for all large transactions is the tael (Chinese liang) of silver

silver

2. Silver is the legal standard, as far as a legal standard can exist in a country where the legal unit is not a coin but a lump of silver bullion. Gold is not in general use although frequently used by travellers as being portable. On the Peking market gold is bought, the ratio between it and silver being about 1 to 20.

3. There are none.

4. The silver tael, according to the Treasury standard (Ku ping) is absolutely pure. The weight of this tael is 579.84 grs.

5. The mints are not open to deposits by individuals. They only cast copper cash. The silver taels are cast by private banks in

in lumps (or slugs) varying
from two to fifty taels.
6. No coinage charge.
7. Gold is not a legal tender.
8. Same remarks apply to silver.
9. There is no tolerance allowed
by law, all payments to the
Government are supposed to be
made in pure silver.
10. No recoinage of worn out
gold or silver coins.
11. No coinage of gold.
12. No coinage of silver.
13. 14. 15. No mintage of gold and silver.
16. Peking is the chief market
of China for gold. I am
informed by a Chinese banker
that

that in 1885 about 6045 kg's were sold on the Peking market.

17. No silver produced from mines as far as ascertainable.

18. There are no documents available to determine the import of gold and silver. The greater part of all the gold sold on the Peking market is probably exported. The export of silver is not allowed.

19. 20. 21 None in circulation or use.

22. Government does not issue paper currency. the amounts issued by the local banks are unlimited.

23. The mints are under the control of the Board of Revenue (Hu-pu) and the regulations governing them are not accessible

accessible. The only rules of which I am aware bear on the subject of restricting the proceedings of the workmen employed, the care of the copper used and the disposal of the coin when cast. A translation of the above rules appears to me to be of no practical value.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Acted May 19/86 Cir Ltr

Mr. Everell 28

DEPARTMENT OF STATE
APR 26 1886
RECEIVED.

1ST ASSISTANT SECRETARY
APR 27 1886

No. 113.

Legation of the United States,
Peking, March 17th 1886.

Mr. Denby to the
Secretary of State.

Subject.
Canton.
Excitement at ~~Chunhuang~~.

Synopsis.
Encloses reply of Yamên on subject, stating that they had already been informed of the matter. Have ordered troops to prevent disturbance and hope for a speedy settlement of the difficulty by Congress

One enclosure-

No. 113.

Legation of the United States.
Peking March 17th 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington, D.C.

Sir:

I have the honor to forward to you herewith as supplementing my despatch No. 109 of the 10th instant, a copy of a despatch which I have received from the Yamên in reply to mine of the 7th instant, asking them to take such measures as appeared necessary to prevent any disturbance at Canton.

The Yamên state that the

the rumors which had caused
me to write to them, had also
reached them and that they
were about to telegraph to the
Viceroy of Canton on the subject,
when they received a telegraphic
despatch from the Chinese
Minister at Washington stating
that the President had submitted
to Congress the question of an
indemnity to the victims of the
Rock Springs outrages.

The Yamên further
state that they have ordered
the Viceroy of Canton to prevent
any disturbance, and they assure
me that the local officers can
only wish a speedy settlement,
both fair and impartial of any
international questions which may
arise. It was natural, however,

for

for the natives of Canton to become excited on hearing of the outrages to which their friends and relatives had been submitted in the United States, and it is no easy task to restrain them, or, in fact, to be thoroughly informed of the opinions of the common people.

The Yamên hopes that a speedy settlement may be reached by Congress, and that its nature will be so satisfactory that it will dispel all bad feelings which the natives of Canton Province may harbor against Americans.

D

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Enclosure.

1. The Foreign Office to Mr. Denby

No. 3, March 12th 1886.

Enclosure 1 in No. 113.

No. 3.

The Foreign Office
to Mr. Denby.

Peking March 12th 1886.

Your Excellency:

Upon the 8th of March the Prince and Ministers had the honor to receive Your Excellency's communication to effect that you had received from the Consul-General of the United States a telegraphic dispatch stating that there is great excitement at Canton against Americans owing to the late outrages in America, and that the Viceroy had telegraphed the Chinese Legation at Washington intimating the intention to inaugurate in China a system of outrage and violence

violence; that it is plain that this subject should be settled by the proper authorities of the two Governments and that further violence or outrage will serve simply to complicate such settlement, and Your Excellency requested us to take proper steps (in the premises), and that questions arising between your country and China can certainly be settled with dignity &c &c &c.

Now with reference to the rumors which were current at Canton, the Prince and Ministers had heard of them and were about to telegraph to Canton to make enquiries, when they were placed in receipt of a telegraphic communication from His Excellency Chêng, Chinese Minister

Minister to the United States, stating that the President of the United States had submitted for the consideration of Congress, the question of indemnity for the outrages committed against Chinese subjects at Rock Springs, and as to the Canton telegram, the words signifying "Answer or justification" (for outrages committed) did not appear in it.

The Yamên has telegraphed informing the Viceroy and Governor at Canton to make strenuous efforts to ascertain the source from whence the rumor sprang, and not to allow any trouble or disturbance.

As to the local officers dealing with cases of an international nature, they

can

can only desire to deal fairly and impartially, and as speedily as possible settle all questions which arise; and they do not harbor secret intentions to consider them at cross purposes and thus create further complications.

In California, and at other places, there are Chinese, natives of the Provinces of Canton and Fuhkien, who have proceeded thither in large numbers as laborers, and when the outrages committed against their fellow countrymen at Rock Springs were made known in Canton it was a matter of no easy task to prevent the natives from becoming alarmed and excited and as this feeling caused confusion it

it led to the people becoming aroused with ire and passion. Besides the officials can not fully know of the secret deliberations of the common people.

In the matter of the outrages perpetrated against Chinese subjects in the United States, Your Excellency stated officially a long time since that you desired the punishment of the perpetrators with the utmost rigor of the law, and as the President of the United States having already submitted to Congress, for approval, the question of the payment of an indemnity for the Rock Springs affair, it is not a difficult matter to effect a speedy settlement thereof.

The Prince and Ministers

Ministers would beg Your Excellency to be good enough to telegraph Your Government asking that measures may be (speedily) devised for a satisfactory and speedy adjustment of the matter to the end that it may be made known to the Canadians and as a matter of course result in their feelings of discontent subsiding. Calamities may then be avoided and the friendly relations existing between the two countries be still more firmly cemented.

The Prince and Ministers send this communication in reply for Your Excellency's information.

H. E. Charles Denby
&c &c &c.

No. 114. Treasury
Customs 3. Miscellaneous



Mr Emmerton
27

Legation of the United States.
Peking March 18th 1886.

Mr Denby to the
Secretary of State.

Subject.
Forwards returns of trade 4th quarter
of 1885.

One enclosure.

No. 111.

Legation of the United States.
Peking, March 18th, 1886.

To the Honorable
Thomas F. Bayard
Secretary of State,
Washington, D.C.

Sir:

I have the honor to forward to you, by this mail, the returns of trade for the 4th quarter of 1885, published by the Imperial Maritime Customs.

I enclose herewith a statement showing the condition of the trade with the United States in some of the chief articles of export and import during the months of October and December 1886, as compared with

with the same period in 1884. The result of this comparison is to show an improvement in the import trade in October-December 1885, especially in sheetings.

Another feature of the returns published is to afford us for the first time accurate information of the trade at the open ports of Corea.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Enclosure:

1. Statement as above.

Comparison of imports from and exports to the United States during the 4th quarter in 1884, 1885

Exports –

American drills Oct. Dec { 1884 – 138.396 pieces. / 1885 – 142.626 pieces
Increase in 1885 ------ 4.231 pieces

English drills Oct. Dec { 1884 – 50.284 pieces / 1885 – 78.012 "
Increase in 1886 - - - 27.728 "

American shirting Oct. Dec { 1884 – 230.426 " / 1885 – 376.190 "
Increase in 1885 35.764 "

English sheetings Oct. Dec { 1884 – 32.486 " / 1885 – 42.426 "
Increase in 1885 – 9.911 "

Kerosene Oil Oct. Dec. { 1884 – 1.551.280 galls / 1885 – 2.005.750 "
Increase in 1885 454.470 "

Enclosure 1. in No. 114.

Exports —

Tea. black. Oct. Dec.	1884 —	19.420.92	piculs.
	1885 —	27.556.81	"
Increase in 1885 —		8.135.89	"
Tea. green Oct. Dec.	1884 —	47.360.22	"
	1885 —	43.476.33	"
Decrease in 1885 —		3.883.89	"
Silk Oct. Dec.	1884 —	1.463.23	"
	1885 —	3.029.77½	"
Increase in 1885 —		1.566.54½	"

DEPARTMENT OF STATE
MAY 5 1886
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Interchange

No. 115
Copy to Sec. Treasury May 7. 86
Copy to Ass. Sec. May 7. 86
Copy to Int. May 7. 86

Mr. Everett
6.

Legation of the United States,
Peking, March 24th 1886.

Mr. Denby to the
Secretary of State.

Subject.
The money of China.

Synopsis.
A history of the currency of China and the efforts to establish a mint. There is no mint except for copper "cash". Little likelyhood of one being established. Value of the Mexican dollar in cash is now from 85 to 90 per cent.

No. 115.

Legation of the United States.
Peking, March 24th 1886.

To the Honorable
Thomas F. Bayard,
Secretary of State,
Washington, D.C.

Sir:

On receiving a copy of the late Report of the Director of the Mint, I noticed that there was no communication therein relating to the money of China. I, therefore, directed the Secretary of this Legation to prepare a report on that subject. He has discharged this duty very thoroughly and with ability. I transmit herewith the memorandum prepared by him.

At

(At Diplomatic meetings the question of the establishment of a Mint by China has been alluded to. The concurrent judgement of my colleagues has been that it would be useless to take the question up.) omit

(In fact until the Emperor personally assumes the reins of government no progress in any direction can reasonably be expected. That a mint would be a great blessing to China and the commercial world is undoubtedly true. But there is a fear among officials of the result to them personally that might follow any innovation.) omit

There are vast numbers

of

of private banks and exchange shops in China. The value of ordinary cash varies daily. For some weeks now the Mexican dollar has only been worth, at Peking, from 85 to 90 cents reduced to cash. Slight depreciation in ordinary trade is not regarded, but when the depreciation reaches ten per cent a demand in all transactions is made, and enforced, for payment of the deficit. It is anticipated that the demand for silver, caused by the revival of the spring trade, will enhance its value and bring the Mexican

back

back to par.

I have the honor to be,

Sir.

Your obedient servant,

Charles Denby

Enclosure -

1. Memorandum as above.

Enclosure 1 in No. 115.

Memorandum.

From the earliest times (circa 1000 B.C.) the Chinese have made use of copper coins to the nearly complete exclusion of gold and silver, although these two last metals have at different times been used, but rather as bullions, just as silk or grain have been. The copper cash, in fact, is the monetary unit of China. The issue of this copper coin was never limited by law, but was cast in large or small quantities according to the requirements of the Government. The value of the piece of money was determined, not by its relative value to any other precious metal, but by its purchasing value, determined in grain, cloth, etc. As, however

however, the government officers were then, as now, paid partly in grain, the use of money was at first very limited. Years of famine gradually increased its quantity, as it was supposed that by throwing quantities of cash in the market the sufferings of the people might be alleviated.

In the 6th century B.C. a fractional copper currency was made, by casting large copper cash the value of which was fixed at 50 of the small ones. In the 3rd century B.C. we hear of serious troubles which occured through the government endeavoring to make the value of the fractional coins equal to that of the large ones.

In the reign of Kau Tsu Ti (B.C.

(B.C. 179) the Emperor to put a stop to false coining, which has always been an easy operation in China on account of their system of casting, let the people free to cast their own money. This measure proved, however, entirely inadequate, and the decree was soon repealed. In fact counterfeiting was carried to such an extent that the people in parts of the empire gave up using coined money and returned to barter.

In the reign of Wuti (B.C. 117) a state mint was established at the capital, and all the metallic currency previously in use was withdrawn and recast. Moreover, as a means of stopping counterfeiting, the most expert forgers were taken into

into government employ to work in the mint.

The amount of money coined from this date down to the commencement of the Christian era is stated to have been 280 billions of cash.

In the 6th century A.D. we hear of an attempt to supercede copper money by iron money, but after ten years trial it had to be discontinued, the government and private individuals having cast such vast quantities of it that it retained no value. At about the same period one of the Emperors of the northern Wei dynasty, fixed a standard for money by decreeing that 2000 pieces should be equivalent in value to one piece of silk, which commodity had nearly

a

a uniform value throughout the realm. This is a remarkable attempt to solve a much vexed question which has frequently received the attention of political economists in other countries.

In the early part of the 9th century, an attempt was made to issue paper money in the form of certificates of deposit. This plan did not, however, succeed, most likely owing to the credit of the state not being good enough to attract depositors.

In the 10th century a double standard was tried. A subsidiary coin of iron, varying from 1/10 to 1/6 of the value of the copper cash, was issued by the Sung emperors. The nature of the metals

metals used in their coinages, became rapidly a source of trouble and difficulties. No constant legal rates could be kept between them. Counterfeiters, speculating on the constantly varying rates, coined the cheaper currency in order to exchange it for the dearer, and generally the difference between the two was from 100% to 200%. As a remedial measure, the government ordered that in certain parts of the empire only copper money should be a legal tender and in others only iron money. By this means speculation was greatly diminished, but the system was far from being an unqualified success.

Through the exportation of money from China, which at this time had become very

very heavy, the currency in circulation was no longer sufficient for the requirements of the state. The standard was lowered and China had again recourse to paper money to supply her wants. Originally in the nature of government bonds redeemable in three years, they were secured by cash in the treasury. The issue of notes was gradually increased to such an extent that they became greatly depreciated and finally brought about the bankruptcy of the state.

Passing over the next few centuries, during which the Mongol and Ming dynasties applied the same methods with like ruinous results, we will briefly examine the monetary system of the present dynasty. The

Imperial

Statutes (Ta Ching lü li) regulate the mode of casting cash and the number of mints. The latter are under the control of the provincial governors, subject to the orders of the Board of Revenue (Hu Pu), which controls the amount of currency to be put in circulation, so that "the "successive supplies of coin "may be issued according to "the market prices of gold, "silver, grain and other articles "in general use and consumption" (Book IV Sec CXVIII)

The copper cash, which are still, under this dynasty, the only coin in circulation, have not escaped the fate of those of earlier dynasties; they have been so debased that at times, as under the Tao Kuang reign (1821-51) it would not even remunerate

forgers

forgers to counterfeit them.

In the Hsien Feng reign (1851-61) the central government being cut off from its supplies of copper (which mostly comes from the central and southwestern provinces) by the Tai-ping rebels, had recourse to issuing large coins equal to 10 of the ordinary small cash. Iron and zinc coins were also cast in large quantities, and in 1854 large copper coins of the nominal value of 50, 100, 500 and 1000 units were issued in the north. False coinage brought about a rapid depreciation of the larger coins, so that finally nobody would take them at any price. Those of a nominal value of 10 remained in circulation, and constitute to the present day the currency

of

of the capital. Their value, however, has sunk to that of two of the small cash, and an ounce (Tael) of silver exchanges for about 700 of them.

In 1853 paper currency was also issued; notes of two kinds, cash notes and silver notes were issued by the Board of Revenue, and forced into circulation. Their value depreciated so rapidly that in 1861 they were at a discount of 97%.

At Peking and in many other cities throughout the Empire, paper notes are issued by private banks the notes circulating only in the locality where they are issued. As these banks are not under government control and can issue notes far in excess of their capital, failures are

are of frequent occurrence. A certain number of them, however, are of old standing and of good credit, doing a large business as government bankers and sales with the general public from whom they receive large deposits.

One thousand of the nominal cash of Peking (or a tiao) are theoretically equal to one ounce of silver (or a tael). The real value of the 10 cash piece being only 2 cash, 50 Peking cash make a tiao, and a tael is counted as equal to from 12 to 14 or 14½ tiaos, according to the exchange which varies daily.

Twenty miles from Peking the big cash are no longer in circulation, small nominal cash are used, 1000 of which make a tiao, and 3000 to 3500 of which are

equal

equal to a tael of silver.
The varieties of cash and
their values are endless. Mr.
E. Colborne Baber, of H. B. M.
Consular Service, says (Journey
of Exploration in Western Szu
Chuan, p. 101) "Soon after
"leaving Hsi-Li-Chou we found
"small and debased cash in
"use, fourteen hundred of
"which the traveller may obtain
"for a thousand ordinary
"cash; when he finds it
"necessary .... to get rid
"of the local coinage on leaving
"the district in which it
"circulates, he is obliged to pay
"fifteen hundred debased
"cash for a thousand current
"coins of the realm..... At
"Ti-ké the circulating medium
"has fallen to a depth of
"degradation which almost
"outvies comparison. Here the
"local cash exchange for silver
at

"at the rate of forty thousand
"per Chinese ounce, in other
"words, one hundred and
"fifty of them are equivalent
"to one British farthing."

If we examine now the facts in regard to the present use of silver, we find that the value, weight and standard of the ounce of silver (Tael) varies nearly as much as does the copper cash. These facts have been so fully set forth in Minister Geo. F. Seward's "Memorandum on the Currency of China", and Mons. von Brandt's "Memorandum on Chinese Currency", that it is more than useless to dwell on the question. The following tabulated statement of the value of the several local taels as compared with the Kai-Yuan and Hu-ping

Scales

scales will dispose of the question.

Locality	100 Haikwan Taels equal	100 Kuping Taels equal
Newchwang	108.50	"
Tientsin	106.00	103.40
Chefoo	104.40	"
Shanghai	111.40	101.6.6
Chinkiang	104.22	"
Kiukiang	108.7.5	101.6.5
Wuhu	106.31	"
Ningpo	105.28	"
Foochow	101.11.5	101.1.4
Amoy	110.0.0	"
Swatow	110.0.0	"
Canton	111.1.1	"

I must not omit to mention that these rates of exchange are arbitrarily imposed by the provincial authorities, or government bankers, and are higher than they ought to be as compared with the Tuping or Kai Kuan taels, in which they make their returns to the Board of Revenue. In fact the profits which the provincial authorities derive from this source are one of their chief perquisites, without which they say they could not live. The fear of losing this source of revenue

revenue dried up if any uniform monetary system were introduced in China, is one of the chief, if not the chief, objection which the governing class have against such an innovation.

In 1877, while negotiations were under way for a settlement of the Yunnan outrage claims, negotiations which resulted in the Chefoo Convention lately ratified by Great Britain, the Foreign Representatives in China addressed to the Government an identical note, asking whether any steps could be taken to establish a mint and a currency of a uniform character. On December 19th 1877 the Foreign Office sent a reply which disposed of the question summarily. In it it is stated that "If "China should decide upon

a

"a mint of money and establish
"a mint according to foreign
"fashion, - - - - the difficulties
"attending its general circulation
"would be very many, amounting
"indeed to insurmountable
"obstacles. Its establishment is
"not therefore considered
"practicable."

This decision of the Bengali Famine ~~which~~ was unquestionably dictated by the reasons which we have stated above, for the prudence of the officials class for the prevailing monetary system, or rather absence of system, appeared so definite that the German Minister, Monsieur von Brandt, writing on the subject in February 1878 says "The faint
"hope that the intricate question
"of Chinese currency might be
"settled has, therefore, to be
"abandoned, and it becomes

the

"the duty of those charged
"with the protection of the
"commercial interests of their
"countries to devise means, by
"which the evils resulting
"from the present state of
"affairs, may be, if not entirely
"removed, as at least mitigated
"as far as possible". (Memd on
Chinese Currency p. 1.)

Minister Seward,
writing at the same time, is less
despondent and he thinks
that "it may be predicted
"with safety that a coinage
"system will be adopted
"within a near period. I do
"not say within five or ten
"years or attempt to anticipate
"the date. It is coming to be a
"felt want and such wants
"create their remedy." (Memd. on
Currency of China p. 10)

Eight years have
passed since the mint scheme
was

was abandoned, and nothing on the part of the Chinese Government can lead us to suppose that they are thinking any more seriously of establishing a coinage system than they were in the days of Yeng-is Kaiho.

Legation of the United States.
Peking March 16th 1886.

(signed) W. W. Rockhill
Secretary of Legation.

DEPARTMENT OF STATE
MAY 17 1886
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2nd ASSISTANT SEC'Y
acted May 19 86
MAY 17 1886
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No. 116.

W Lowrie
18

Legation of the United States.
Peking March 26th 1886.

Mr. Denby to the
Secretary of State.

Subject.

Diplomatic Corps duic at the Chinese Legation on the Emperor's birthday

Synopsis.

The subject of diplomatic uniforms.
Mr. Denby states that although under the law entitled to wear a Colonel's uniform he shall not do so, unless directed by the Department.

No. 116.

Legation of the United States.
Peking March 25th 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington, D.C.

Sir:

I have the honor to report that the Diplomatic Corps, on the 22nd instant, dined at the German Legation, on the anniversary of the birthday of the Emperor of Germany and King of Prussia. The Russian Minister having gone home, I, being the next in rank to the German Minister, proposed the health of the Emperor. Etiquette forbids speaking on three occasions. The rule is a good

one

one because silence offends no one, while an indiscreet orator might make trouble.

The occasion was the first on which I have seen the Diplomatic Corps in uniform. The uniforms and the decorations of all the great orders in Europe were superb. My Secretaries and I were in plain, black, evening dress.

I beg leave to say that, though under the law I am entitled to wear a Colonel's uniform, I shall not do so. In a Republic no special privileges should be accorded to any class. The law should be uniform. If one Diplomatic Agent has a right to wear a uniform all should have it. It would probably

raise useless discussion and sectional recrimination to undertake to repeal the law which authorizes ex-army officers to wear U.S. uniforms, while nobody else can. But to my mind this legislation is vicious, and, as the choice rests with me, I shall not, unless otherwise directed by you, wear a uniform on any occasion.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

DEPARTMENT OF STATE
MAY 17 1886
RECEIVED.

No. 117.

1st ASSISTANT SECRETARY
Approves his recommendation to Consul Seymour.
MAY 17 1886

J. M. Everett
May 19.86 cis to. R

Legation of the United States,
Peking March 29th 1886.

Mr. Denby to the
Secretary of State

Subject.
Excitement at Canton

Synopsis.
Encloses despatch of Viceroy to Consul Seymour, Canton, stating precautionary measures taken by him. Legation has instructed Consul not to discuss indemnity with local authorities

No. 117.

Legation of the United States
Peking, March 29th, 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington, D.C.

Sir:

I have the honor to enclose herewith, for your information, copy of a dispatch addressed by the Viceroy at Canton to our Consul, Mr. Seymour, concerning the measures which he (the Viceroy) had taken to prevent any outbreak of popular indignation on receipt of news of the anti-Chinese riots in the United States, and discussing the question of indemnity.

117

His

This Legation has requested Mr. Seymour not to enter into any discussion of the subject of indemnity, or of the question of the outrages in general, this being at present a matter of negotiations at Washington.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Enclosure

1. The Tsung Li Yamen to Mr. Seymour. Incl. in Mr. Seymour's No. 151 of March 12th 1886.

Copy

Enclosure 1 in No. 117

United States Consulate
Canton, China.

An official communication from His Excellency "Chang" Governor-General of the two Kwangs to Honorable Charles Seymour, U. S. Consul, Canton, relative to anti-Chinese riots in San Francisco.

Translation -

I have to reply to His Honor the Consul's despatch (herein the despatch is quoted verbatim et literatim), of which I, the Envoy, have made a full perusal. On a thorough examination, the telegram published in Hong Kong papers is said is hard to believe. Relating to this case, I, the Envoy had previously sent a telegram to His Excellency "Juan", Chinese Minister to America, requesting him to alert his

his capability in consulting with the Foreign Office to discover the rioters, to indemnify the claims, and to protect the Chinese subjects. There was nothing said of reprisal. I, the Viceroy, have heretofore been aware of the exceedingly friendly relation maintained between your honored country and mine and also of the utmost equity and justice with which your honored country, in a polite manner manages affairs. So, on a former occasion, there was an official communication from me begging His Honor the Consul, to telegraph to your honored country to promptly and satisfactorily adjust the matter, with the wish of nothing more than to cause the Chinese and American merchants to live

in

in mutual tranquility and to manifest in a higher degree the existing friendliness.

It will be seen on examination that I, the Viceroy, recently have adopted many ways in the line of protection, and in guarding against and suppressing any outbreak from which, my sincerity in treatment is wholly apparent. As to what the London telegram states, there is no truth in it. Although riotes in San Francisco are numerous, yet the proclamations of your honored country, prohibiting and punishing the riotes, have already come to my knowledge. For instance your honored country has not justifiably adjust the matter and being called upon on several times refuse to adjust the affair with justice; our government will

{unsatisfactory translation}

will devise an upright and justifiable way of managing the affair, or having the subject clearly memorialized by His Excellency the Minister: and would not tolerate the common people seeking any occasion for disturbance. My Government's humanity is extensive and far reaching, there would never be any such act of slaughter. If the Ficmy having pure minded and clear perception, would not bring about any such uncalled for action. ~~Take for example,~~ just as a foreign telegram came, stating that your ~~honored~~ Government had ~~given order~~ ordered to the Senate (?) to settle the indemnity ~~arising~~ in out of the Lock Spring case, so ~~at that~~ this ~~instance the~~ London telegram states that ~~your legation~~ because of your government

Courtesy

{Uncertified translation}

had refused, Consuls
~~country had made a refusal.~~
are threatened at Canton
~~so, on that account, there was~~
~~in Canton a report of expulsion~~
~~etc.~~ Take this for inference,
it can be deduced that it
is a piece of unauthentic
talk. After the affair had
taken place in San Francisco,
foreigners in China have been
somewhat cautious, and on
account of rumor being
circulated to and fro; and
when it is circulated to a
further extent, translators of
English would make all
the more mistakes; so it
reaches to this point, which
is not at all worthy of
credence. However, there ought
to be a prompt settlement
of the lives and property
of those Chinese subjects who
have suffered from the
calamity, and also to adopt
good measures for meeting
Contingency

contingency that comes after in order to be in accordant with reason and common sense.

The Irish party or faction, it appears, has been a long time naturalized as American citizens as they are really your honored country's people. Now if that faction is allowed to act obstinately and brutally treat others; to force the Chinese laborers out of work, and injure their lives and property, without the least scruple or fear; when this is circulated to the different countries, people will regard the official orders of your honored country's high officials have no force, and have no power over the natives; is this not still more deeply to be regretted? Although I, the Viceroy have prohibited

prohibit any reprisal, but if the affairs in San Francisco are not satisfactorily adjusted, the feeling of the people would not be contented, when their feeling is not satisfied, although they dare not seek any occasion for disturbance, there would be many hinderances placed against the affairs that are to come.

It is requested that your Honor, the Consul, will again forward a telegraphic message to the Consul General to telegraph to your honored country to adjust the matter satisfactorily, for which thanks are rendered. As to measures for guarding and protecting, I, the Viceroy am still giving proper orders.

With compliments etc.

Kuang Sü 12th year, 2nd moon, 6th day.
(March 11th 1886)

Acted upon and May 19 1886 Entered

No 118.

DEPARTMENT OF STATE
MAY 17 1886
RECEIVED.

1st ASSISTANT SECRETARY
MAY 17 1886

Mr Everett
18

Legation of the United States.
Peking March 29th 1886.

Mr. Denby to the
Secretary of State

Subject.
The Minister leaves Peking to make his tour April 1st.

Synopsis.
As germane to his report he enquires whether under Sect 66 he has the right to recommend persons for appointment as Consuls in China.

No. 118.

Legation of the United States.
Peking March 29th 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington, D.C.

Sir:

I have the honor to report that I will leave Peking the 1st proximate. I will go to Tung-Chou, thence by house-boat to Tientsin, thence by merchant steamer to Shanghai. At Shanghai a United States vessel will meet me and the remainder of the tour will be made on her. Owing to the necessity of sending the "Monocacy" to Canton, on account of the excited

excited condition there, and other needs of the service, the Admiral was not able to send a ship to Apia or Nukuhiva.

As matter, perhaps, germane to the report I shall make, I desire to enquire what construction the Department puts on the words in the 66th paragraph of Diplomatic Instructions, "in or under his own mission".

The power to recommend removals necessarily belongs to the Minister.

Has he the right to recommend the appointment of any person to a Consulate in the country to which he is accredited?

I have construed the words cited as meaning officers actually in the Legation proper and

and have persistently refused to make any recommendations for the appointment of Consuls. Such construction is most favorable to the Minister, leaving to him the untrammelled power of supervision of inferior officers, and preventing any difference with the Department as to the personnel of the Consulships. But there might be exceptional cases - where some resident in China possessed peculiar qualifications for a Consulship. The public service might be benefited in such cases by the Minister calling

calling the attention of the Department to them. Is he at liberty to do so under the Instructions?

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

DEPARTMENT OF STATE
MAY 17 1886
RECEIVED.

File

No. 119.

2nd ASSISTANT SECRETARY
Ack by No. & file.
MAY 17 1886

Mr Everett
27

Legation of the United States.
Peking March 29th 1886

Mr. Denby to the
Secretary of State.

Subject.
The visit of the Yeruaw Syndicate

Synopsis.
The Syndicate secured no contract
Chinese way of financeins.
China will not trammel herself as
to use of money borrowed.

No. 119.

Legation of the United States.
Peking, March 29th, 1886.

To the Honorable
Thomas F. Bayard
Secretary of State
Washington D.C.

Sir:

The Chinese Syndicate has visited and has left Peking. It was composed of Messrs A.H. Ebner, K. Bethge, and Curt Erich, of Berlin. They came to learn on what terms they could make a loan of £35.000.000 to China, the money to be spent in the construction of railways and in the improvement of the defences of the empire. It is understood here

here that they were unsuccessful in their negotiations. China has made no agreement with them. (While here they were the guests of the Minister but were not presented to the Tsung-li Yamên)

The Chinese are not ignorant in money matters. They see the whole world putting in bids to loan money and to build railroads and they have become wary.

The Touch also have a financial delegation which is in Tientsin. The Chinese enquire with some pertinacity how it happens that all nationalities have turned their eyes towards China in financial matters. They are usually answered that business

business is dull and the great national interests of the world are looking for something to do. I think it quite certain that when China accepts a loan she will not be trammelled in its application, and that when she determines to build railroads she will make the most favorable contracts possible and with the bidder who offers the best bid.

By Easton financiers the possession of so many millions of silver dollars by the United States is regarded as, somehow, enabling the

Government

government to make loans so as to utilize this silver and stimulate trade. I have in private conversation, denied the power of the Administration to loan money to a syndicate. I have also stated my belief that Congress would not pass a bill authorizing such a loan, if, even, it had the power to do so.

General Wilson lodged with the Yamên, before he left, a very able report on the improvement of the Yellow River and the construction of railways. It contained no formal offer to build roads, but it might easily have been inferred that he and his friends were ready and willing. He was courteously

answered

answered by the Yankee.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

DEPARTMENT OF STATE
MAY 17 1886
RECEIVED

Separate one enclosure.

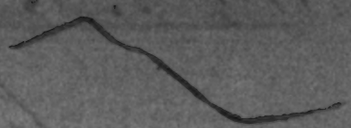
Legation of the United States
Peking, March 31st 1886.

Mr. F. D. Cherbino
to the
Secretary of State

Subject.

Mandarin Salary Account
for quarter Ending
March 31st 1886.

No 111



Separate. One enclosure.

Legation of the United States.
Peking, March 31st 1886.

Honorable Thomas F. Bayard.
Secretary of State
Washington

Sir:—

I have the honor to hand you enclosed a
1/— statement of my salary account for the Quarter
ending this day.

I have the honor to be,
Sir,
Your obedient servant
F. D. Chambers.
Interpreter of Legation

Enclosure.
1. Statement as above.

DEPARTMENT OF STATE
MAY 17 1886
RECEIVED

No 120. One enclosure.

Legation of the United States
Peking, March 31st 1886.

Wm. Charles Denby
to the
Secretary of State

Report.

Transmits Salary
Account for Quarter
Ending March 31st 1886.

WMF

No 120. One enclosure

Legation of the United States
Peking, March 31st 1886.

Honorable Thomas. F. Bayard
Secretary of State
Washington.

Sir:—

I have the honor to transmit herewith a statement of my salary account for the quarter ending this day.

I have the honor to be,
Sir,
Your obedient Servant.
Charles Denby

Enclosure
1. Statement as above.

120.

Enclosure 25

No 121. - One enclosure.

Asked Remus Barrow acpt. May 25. 86 Cad Jr.

Legation of the United States

Peking, March 31st 1886.



W. Charles Denby

to the

Secretary of State

Subject

Transmits Statement of account for Contingent Expenses for Quarter ending 31st of March 1886.

DM

Mr. Everett—

Say to Mr. Truly his account for Contingent Expenses 4th Qur 1885 and 1st Qur 1886 have been allowed in full, but owing to the limited appropriation for the current fiscal year he should not, if possible, exceed in his account for the quarter and year ending June 30th next the ~~balance~~ unexpended balance of annual allowance of $800.—

The accounts received, as follows, have been allowed in full—

Contgt Expss	qtr ending	Sept 30. 1885.	$204.62
"	"	Dec 31. 1885.	227.47
"	"	Mar. 31. 1886.	268.87

His allowance for Contingent expenses will be increased with what may appear to be the needs of the Legation, should Congress increase the appropriation for the Contingent Expenses of Foreign missions for the next fiscal year—

That is from July 1st next—

" " "

Byrder of Mr. Hill.

No 121. one enclosure.

Legation of the United States.
Peking, March 31st 1886.

Honorable Thomas F Bayard
Secretary of State
Washington

Sir:—

I have the honor to hand you enclosed a statement of the Contingent Expenses of this Legation for the Quarter ending this day.

1/121

I have the honor to be,
Sir,
Your obedient Servant,
Charles Denby,

Enclosure:
1. Statement as above.

No 122. One enclosure.

DEPARTMENT OF STATE
MAY 17 1886
RECEIVED

Legation of the United States.
Peking, March 31st 1886.

W. Charles Denby.
to the
Secretary of State

Subject
Semi-annual Rent Account
for Quarter ending
March 31st 1886.

No 122. one enclosure.

Legation of the United States.
Peking, March 31st 1886.

Honorable Thomas F. Bayard
Secretary of State
Washington

Sir:—

I have the honor to enclose herewith a statement
1/122. of the Rent account of this Legation for the quarter ending this day.

I have the honor to be,
Sir,
Your obedient servant.
Charles Denby

Enclosure.
1. Statement as above.

C

file

3rd ASSISTANT SECRETARY
MAY 17 1886

DEPARTMENT OF STATE
MAY 17 1886
RECEIVED

No. 123.

Legation of the United States.
Peking, March 31st 1886.

Mr. Denby to the
Secretary of State.

Subject.

Enclosing despatch from Mr. Seymour - Condition at Canton.

One enclosure.

No. 123

Legation of the United States.
Peking March 31st 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State.
Washington, D.C.

Sir:

As a further reference to my despatch No. 117 of the 29th instant, enclosing copy of a despatch from our Consul at Canton, I have the honor to forward to you herewith copy of a despatch which has been just received showing the condition of affairs at Canton and the measures

1/123

measures taken by the
Viceroy to preserve peace.

I have the honor to be,

Sir,

Your obedient servant.

Charles Denby

Enclosure.

1. Mr. Seymour to Mr. Denby
No. 155 of March 16th 1886.

Enclosure 1 in No. 123. Copy.

No. 155.

United States Consulate,
Canton. March 16th 1886.

Hon. Charles Denby
&c &c and M. P. Peking

Sir:

I had the honor in my despatch No. 154, dated 12th instant, to inclose a translation of a despatch from His Excellency about the published telegrams which imputed to him grave fears about Chinese reprisals if their claims are disallowed. On the second page of the translation above mentioned which was marked and numbered $\frac{17}{9}$, I marked two paragraphs in which the translation was unsatisfactory. Today, by the aid of Mr. Brown, the very excellent Interpreter at

at the British Consulate, the translation was made clear. The paragraphs in the middle of the second page as carefully and correctly translated should read in that translation -

"Just as a
"foreign telegram came
"stating that your government
"had ordered the Senate to
"settle the indemnity in
"the Rock Springs case, so this
"London telegram states that
"because your government
"had refused, reprisals are
"threatened at Canton. Take
"this for an inference, it can
"be deduced that it is a
"piece of unauthorized talk".

The U.S.S. "Marion" at Whampoa. The U.S.S. "Alert" was at Singapore 5th & 6th inst - ordered to Canton.

Matters continue quiet at

at Canton. The Viceroy does not permit any bulletins placards telegrams, or news of any kind in regard to Chinese troubles in America to be displayed on the streets of Canton.

He had one of the Magistrates require of the "Humane Society" to discontinue all bulletins. The 3 Chinese newspapers in Hong kong and the 3 English newspapers bring up the news, however, to the reading public.

Dear Sir.

Your obedient servant,

signed Charles Seymour
Consul

Acted May 19, 1886
Cir 76

DEPARTMENT OF STATE
MAY 17 1886
RECEIVED.

No. 1211.

Mr Everett
18

Legation of the United States.
Peking March 31st 1886.

Mr. Denby to the
Secretary of State.

Subject.

Mr. Emery's connection with opium

Synopsis.

U. S. Consul at Chinkiang removes signs from building, on the ground that he is engaged in opium trade. Mr. Emery denies his connection with the trade. Mr. Denby instructs Consul that signs must be returned.

Encloses dispatch to Consul

One enclosure.

No. 124.

Legation of the United States,
Peking, March 31st 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington, D.C.

Sir:

I have the honor to
submit herewith a despatch
1/124 sent by this Legation to
Mr. Bergholz, Consul at
Chinkiang.

The United States Consul
removed three signs belonging
to a citizen of the United
States on the alleged ground
that a portion of the building
was

was used in the opium traffic. The citizen asserts that he occupied rooms in the building as a guest of the real tenant. I have advised the Consul on that state of facts to return the signs.

I repeat that we have no statutes here later than 1881-1882 and very much desire the later acts.

I have the honor to be,
Sir,
Your obedient servant,
Charles Denby

Enclosure
1. Mr. Denby to Mr. Bergholz
March 31st 1886 No.

Enclosure 1 in No. 124.

Mr. Denby to Mr. Bergholz.

No. March 31st 1886.

Sir:

In the matter of the removal of three business signs belonging to Mr. D. A. Emery, namely Fai Chang, Heng Chang and Ho Chis, I have now received from Mr. Emery a communication. It embodies copies of his letters to the Adjt General.

Mr. Emery asserts that he transferred to Messrs H. Buchanan & Co. his lease on the premises and that he is "simply a guest of Mr. Buchanan". It must be admitted that this is an unusual business condition, and one that in a court of justice would require strong proof. Merchants

do

do not ordinarily allow other merchants to occupy portions of premises, leased by them, as their guests. Still it is possible that Messrs Buchanan and Co did make that arrangement. Mr. Emery makes the assertion and there is no proof before me that it is untrue.

Your act in removing the signs was prima facie illegal. The justification must come from you. You justify by asserting that Mr Emery was the lessee of certain premises in which a business which is prohibited to citizens of the United States is carried on, and that you abated what was a nuisance under our law.

Mr. Emery replies by

by denying that he was engaged in the illegal traffic, and asserts that he had transferred his lease to an English firm, and occupied certain rooms for a lawful business as the guest of the firm.

The exact question presented to me is this: is it the duty of a Consul of the United States to remove the signs of a citizen of the United States, who is engaged in a lawful business, which signs are attached to a building in which an English firm carries on the opium business?

I must answer this in the negative. If there is any legislation on the opium question - as I think there is - any citizen of the United States engaging directly or indirectly

indirectly, in such business is liable to a criminal prosecution. If there be no such legislation this Legation and the Consuls would simply refuse in any manner to interfere in favor of one of our citizens who engaged in such business. We would leave the wrongdoer where we found him and afford him no remedy for any wrong. We could not assist him to recover damages in the event of the seizure of opium which belonged to him or in which he was interested as partner. It may be conceded also that if a citizen of the United States were to undertake to carry on the opium business, the Consul might take steps to prevent him from

from doing so, just as gambling hells and houses of prostitution are raided and suppressed.

But I do not find as matter of fact that Mr. Emery was engaged in the opium business, and his signs had no reference to that business. My opinion is, therefore, that it would be proper for you to return the signs so seized. If the Chinese government believes, as it is fair to infer that you do, that Mr. Emery is engaged in the opium traffic it may seize the opium and confiscate it. This Legation would have no right to interfere. It would be for the English authorities to protect Mr. Buchanan if he desired protection. But I am unable to decide, as the case is now presented to

to me, that an arbitrary seizure of the rigues was a proper exercise of your authority.

I may add that I expect to visit Cumbriang in a few weeks. I would cheerfully hear all parties orally.

You will allow Mr. Emery to read this dispatch if he desires to do so.

I am, Sir.

Your obedient servant,

(signed) Charles Derby

"China"

TELEGRAM RECEIVED.

Mr Everett

DEPARTMENT OF STATE
APR 2 1886
RECEIVED

FROM Peking Apl. 1, 1886.

Rec'd April 2nd 1886

Bayard,

Washington.

Leave today tour Ports

Denby

DEPARTMENT OF STATE
MAY 17 1886
RECEIVED.

Seperate

Legation of the United States.

Peking April 1st 1886.

Chas. Denby Jr. to the
Secretary of State.

Subject.

Salary account.

One enclosure.

Seperate.

Legation of the United States.
Peking April 1st 1886.

To the Honorable
Thomas F. Bayard
Secretary of State
Washington D.C.

Sir:

I have the honor to
enclose herewith statement
of my salary account for
the quarter ending March
31st 1886. Against this I
have drawn my draft on
Messrs. Brown Shipley & Co
London in the usual way.

I have the honor to be, Sir,
Your obedient servant.

Chas. Denby Jr.
Secretary of Legation

1/Sep

Enclosure
1. Statement of account.

file

DEPARTMENT OF STATE
MAY 17 1886
RECEIVED.

No. 725. Mr Lowrie

Legation of the United States.
Peking, April 1st 1886.

Mr. Denby to the
Secretary of State.

Subject.
Confirms Telegrams.

No. 125.

Legation of the United States.
Peking, April 1st 1886.

To the Honorable
Thomas F. Bayard
Secretary of State,
Washington, D.C.

Sir:

I have the honor to confirm as follows my telegram of this date-

"Bayard,
Washington.

"Leave today four ports
Denby."

I have the honor to be,
Sir,
Your obedient servant,
Charles Denby

file

DEPARTMENT OF STATE
JUN 28 1886
RECEIVED.

No. 126. Legation of the United States,
Peking, April 5. 1886.

Mr. Charles Denby to the
Secretary of State.

Subject.

Acknowledges Department's No. 39 to 42.

No. 126. Legation of the United States,
Peking, April 5th 1886.

The Honorable
Thomas F. Bayard
Secretary of State.
Washington D.C.

Sir,

I have the honor to acknowledge the receipt of your despatches numbered 39 to 42 inclusive, together with my commission as Envoy Extraordinary and Minister Plenipotentiary to China, for which I beg to offer my sincere thanks.

I have the honor to be,
Sir,
Your obedient servant,
Charles Denby

file

Mr Emmett
26

No. 127.



Legation of the United States.

Peking, April 5th 1886.

Mr. Denby to the

Secretary of State

Subject.

Condition of the Chinese tea trade.

Synopsis.

Condition of tea trade a source of anxiety to merchants. Increase of exports small compared with India, Ceylon, Java and Japan. Cause lies partly in adulteration but chiefly in likin tax on tea. Encloses two newspaper clippings.

No. 127.

Legation of the United States.
Peking April 6th 1886.

To the Honorable,
Thomas F. Bayard,
Secretary of State,
Washington D.C.

Sir:

The condition of the tea trade of China has for some time been a source of anxiety to the very numerous class of merchants, both native and foreign, engaged in this business.

Twenty five or thirty years ago China exported almost as much tea as she does

does now, and at that time tea growing was in its infancy in India, and from there and other countries, by which some 115000000 pounds of tea are now annually exported, almost nothing was then obtained at present Chinese tea, as the following figures will show, only figures for about two thirds of the whole trade.

Export from China 269 000 000 lbs
" " India 70.000.000
" " Ceylon 4.000.000
" " Java 3.500.000
" " Japan 38.000.000
115 500 000

This confusion creates already a great danger for the Chinese tea Trade, but the native dealers accessary; as the Superintendent of Southern Trade states in his despatch to the Superintendent of Kiangsu Customs, that, "in being a necessary of life to foreign nations, they may give less attention to its preparation and quality, and yet be sure of a market and of increased profits"; have been adulterating more or less the tea for exportation.

"Great as these dangers appear", still the Chinese Government

1/127

Government itself is doing quite as serious a harm to the trade by allowing a levy of about $4.50 on every picul (133 lbs) of tea, inclusive of the export duty. The Inspector General of Maritime Customs has called the attention of the Tsung-li Yamên to the dangers arising out of adulteration, and the Provincial authorities have cautioned the tea growers and merchants against such practices. It is much to be desired that the question of the likin on tea, which in itself is enough to kill the trade,

2/127

will

will be soon shown to the Chinese Government in its real light, and that it will take measures which will enable those engaged in the business to compete with their rivals in foreign countries.

The question under consideration is but a phase of that most complex question of likin, which more than anything else is retarding the development of the industries and trades of China. We may hope, however, that the dangers which beset the tea trade "the mainstay of China's commerce" may

may at last bring China to see the advisability of remodelling its internal revenue system so as to do away entirely, or at least to some extent with the obnoxious likin system.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Enclosures.

1. The Preparation of Tea (N.C. Daily News)

2. Likin on Tea (N.C. Daily News)

Enclosure 1 in No. 127.

LEKIN OR TEAS.

To the Editor of the
NORTH-CHINA DAILY NEWS.

SIR,—Since my [illegible] I have been favoured with the following information about Lekin and other [illegible] levied on Tea, and I shall be glad if you will give me space in your columns. The list is by no means complete, and I may [illegible] it on some future occasion; but it is sufficient for the purpose of showing the grievous burden the Trade has to bear. I will begin with a few of the Black Tea districts:—

Honan province.—Chang-tsew-kai district:—

	Hk. Tls.
Export Duty	2.50 p. pct.
Lekin or Transit Dues collected through Customs Taotai	1.25 ,,
Tea Hong Licence fee, 80 cash per 1,000 cash on Tea costing Tls. 18	0.45 ,,
Provincial Lekin, 80 cash per 1,000 cash on Tea costing Tls. 18	0.45 ,,
Tax for building Hankow Bund 7 candareens per ½-chest	0.15 ,,
Hk. Tls.	4.80
or Hankow Taels	5.22 p. pct.

Hupeh province.—Tung-chan district:—

	Hk. Tls.
Export Duty	2.50 p. pct.
Lekin or Transit dues collected through Customs Taotai	1.25 ,,
Provincial Lekin, 45 cash per 1000 cash	0.69 ,,
Defence Tax, 30 cash per 1,000 cash	0.45 ,,
Tax for building Hankow Bund, 4 candareens per ½-chest	0.09 ,,
Hk. Tls.	4.98
or Hankow Tls.	5.30 p. pct.

The teas from the provinces of Hunan and Hupeh last year did not realise more than an average of Hankow Tls. 18, duty paid, and so the taxation amounts to 40 per cent on the about selling price.

The tax for building the Hankow Bund was first imposed about 1860, and was to cease in ten years. It still brings in between Taels 45,000 to 50,000 annually.

All teas coming from the Hupeh province have to pay 4 candareens per half-chest, whilst those from Hunan are charged 7 candareens per half-chest.

There are some other small forced contributions of which I have no particulars.

We will now look at some of the districts which feed Kiukiang.

Hingshow Districts:—

	Hk. Tls.
Export Duty	2.50 p. pct.
Lekin or Transit dues collected through Customs Taotai	1.45 ,,
Tax levied at Kin Tang Barrier	.12 ,,
Hk. Tls.	4.10 ,,
or Hankow Tls.	4.46 ,,

Hankow Districts:—

	Hk. Tls.
Export Duty	2.50 p. pct.
Lekin or Transit dues collected through Customs Taotai	1.25 ,,
Tax levied at Kin Tang Barrier	.30 ,,
Hk. Tls.	4.05 ,,
or Hankow Tls.	4.41 ,,

Kaopuan Districts:—

	Hk. Tls.
Export Duty	2.50 p. pct.
Lekin or Transit dues collected through Customs Taotai	2.50 ,,
Tax levied at Kin Tang Barrier	0.27.7 ,,
Hk. Tls.	5.27.7 ,,
or Hankow Tls.	5.74 ,,

Green tea is taxed quite as heavily, except Pingsueys.

Tsoukai and Meyuns:

	Hk. Tls.
Export Duty	2.50 p. pct.
Lekin paid to Tsoukai office, Tls. 2.66 per 100 catties	1.73 ,,
Tax levied at Wei-ping	33.4 ,,
Chekiang Coast defence*	.06 ,,
Haikwan Tls.	4.64.4 ,,
Shanghai Tls.	5.17 ,,

* This Tax may be remitted this year.

16TH MARCH, 1[illegible]

Pingsueys:

Export Duty	2.50 p. pct.
Lekin through Shaou-hing to Ningpo	73.4 ,,
If passing through Hangchow to Ningpo, a further tax for repairing the Sea Wall of	.40 ,,
Haikwan Tls.	3.63.4 ,,
Shanghai Tls.	4.05 ,,

I believe I am correct in saying that the only item of the above taxes that goes into the Imperial Exchequer is the Export Duty. All the rest of them go into the pockets of the Provincial authorities and underlings, and are used not for the benefit of the people nor for the improvement of the country in any shape or form.

These taxes have not even the excuse of being protective, but quite to the contrary they are sucking the life-blood out of the trade and will bring misery and want upon a large section of the people. What China should aim at should be the enlargement of her export trades by all possible means. By so doing she gives greater employment to her workmen, she improves the condition of the agriculturalist, she brings wealth and contentment to her merchants; and every one knows that the stability of Governments greatly depends on the happiness of the governed.

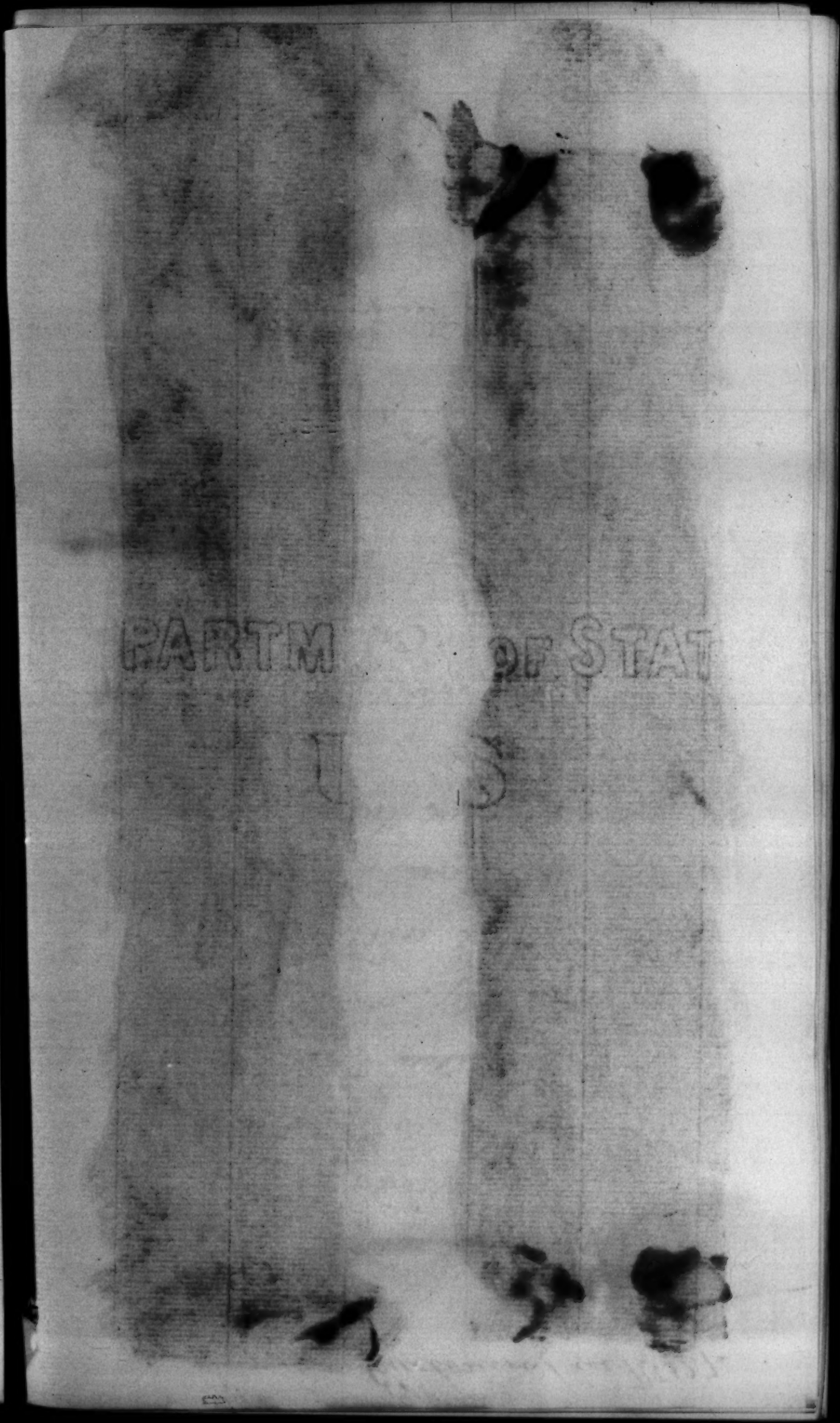
It would be impossible to find any more certain source of wealth to this country than the tea trade. The consumption of some sort of tea is still a growing taste, and its use becomes more wide-spread every year. Tea is an indigenous plant in China, cultivated with very little trouble, subject to no blights, independent of accidents of the weather, which so often destroy a fruit root, or silk crop. Even prepared in the primitive way it now is, the value of the crop is never destroyed, although continuous soaking rains may fall throughout the curing season; but owing to the competition of other countries the fruits of the labour of the tea-grower are now entirely swallowed up in paying taxes from which he derives no benefit.

I would strongly urge that the Tsung-li Yamên should appoint some upright man, associated with a Commissioner of the Imperial Maritime Customs, to enquire into and report on the state of the Tea Trade, and if it be proved that my statements are correct and that the Trade is in danger of being ruined, they will agree with me that the whole of the taxation on tea must be abolished.

A Boundary Commission was appointed to [illegible] the boundary between Tonquin and China. Why should there not be one appointed to enquire into this much more important question, affecting the [illegible] annual export from China [illegible]

Yours faithfully,

[illegible]th March, 1880.


PARTM
OF STAT

Enclosure 2 in No. 127.

THE PREPARATION OF TEA.

The following is a full translation of the Chinese documents on the above subject:—

Notification by the Managers of the Shanghai Tea Guild. On the necessity for an improvement in the preparation of tea.

The Managers of the Tea Guild of Shanghai were yesterday favoured with the Tao-t'ai instructions relative to a despatch received from H.E. Tsêng in consequence of a communication from the Tsung-li Yamên embodying a letter from Sir Robert Hart in which the Inspector-General states that the quality of Chinese tea is gradually deteriorating, and that an improved method of preparation must be introduced without loss of time, in order to preserve this source of profit. This being the time of the year at which the new season's tea is being picked and collected, we have caused a copy of the Tao-t'ai's proclamation to be inserted in the *Shên Pao* and *Hu Pao*, and we further purpose distributing printed copies among the tea-hongs and tea-growers, so that it may come to everyone's knowledge.

The tea picked should be the tender green leaf; the greatest care should be taken in its preparation; there must be no adulteration with foreign matter, nor any devices for increasing the weight. Beware of ruining your best interests by hankering after petty gains. That you should take to heart and profit by the reiterated warnings of the High Authorities and the Inspector General of Customs is the earnest wish of the Managers of the Tea guild.

The following is the tenor of the Tao-t'ai's instructions:—

Proclamation by Shao, Superintendent of Kiangnan Customs, Intendant of Su-Sung-T'ai Circuit, &c., &c.

On the 29th November, 1885, I was honoured by instructions from H.E. Tsêng, Superintendent of Southern Trade, to the following effect:—

"The Superintendent of Southern Trade received on the 14th November, a despatch, forwarded by express Board of War courier, from the Tsung-li Yamên embodying a letter dated November 4th from Sir Robert Hart, Inspector-General of Customs, of the following tenor.

"Tea is the mainstay of China's commerce, but of late years the quality of the article sold by native traders for export has been gradually deteriorating. The native traders [illegible] having a necessary of life to foreign nations, they may give [illegible] preparation and quality and yet [illegible] market and of increased [illegible] to be ignorant of the fact that China is not the only tea-producing country. Leaving the tea produced by Japan out of the question, tea is being grown of late years in India in increasing quantity, and is coming into use over a daily widening area. The amount of tea exported from India to all parts during the current year is greater than last year. If Chinese merchants are ignorant of how tea should be prepared, but adulterate it with foreign matter, resort to devices for increasing its weight, assuage the work of firing, wet the leaf with water instead of drying it properly, and so on, it is to be feared that the quantity of tea which will find purchasers will grow gradually less and trade will be seriously affected."

The Yamên, commenting on the Inspector-General's letter, remarks: The rise and fall of trade has an intimate connection with the revenue of the State and the well-being of the people. Since commerce between China and foreign nations first began, the amount of money which has been drained out of the country to beyond the seas is enormous, and the main articles which have been relied on to counterbalance this drain are tea and silk. Now it appears from the tenor of the Inspector General's letter that tea merchants are gradually imperilling their chances of future livelihood for the sake of a petty present gain, a course of conduct which bids fair to entail most serious consequences. It becomes expedient therefore that instructions should be sent to the local authorities in the tea producing provinces, directing them to charge tea-manufacturers and dealers that they make known to their families and people the danger ahead, and that they make common cause to safeguard this source of national profit. The Yamên accordingly encloses a copy of Sir Robert Hart's letter for the information and guidance of the Superintendent of Southern Trade.

The Superintendent has in consequence communicated the tenor of the Yamên's despatch in the proper quarters, and has now to instruct the Tao-t'ai at Shanghai to direct the tea-traders to comply one and all with its recommendations, and to give them clearly to understand that it is most essential they should combine to safeguard this source of national profit."

On receipt of the above the Tao-t'ai issued the necessary instructions to the Magistrate of Shanghai, and has issued a notification enclosed herewith, instructing the managers of the Tea Guild to act in accordance at their earliest convenience, and to give the tea traders to understand that in future tea brought down for disposal in the foreign market must be conscientiously prepared, and that one and all must unite in preserving this source of profit. Do not disobey this urgent and special proclamation.

Having received the above instructions from the Tao-t'ai, the managers of the Tea Guild now, under date 7th December, 1885, beg to append a copy of the letter from Inspector-General Hart, which runs as follows:—

"In the matter of tea as an article of commerce, during the last four or five years the quality prepared and sold by Chinese merchants for export has been gradually deteriorating. Chinese merchants appear to assume that tea being a necessary of life to foreign nations, a saving may be effected in labour and material without the demand falling off, and at the same time profits will be increased. They do not understand that by so acting the profits derived from the property and business of tea-hongs will be seriously impaired. Such Chinese merchants must learn that there are other countries where tea can be produced. Not counting the tea exported by Japan to various countries, the tea recently planted in India is daily increasing in productiveness. A great deal of labour is expended on its firing and preparation, and not only is the quantity of high-class tea produced growing greater, but the area over which its use is welcomed is constantly widening. If Chinese merchants do not know how to prepare tea, it is to be feared that within a few years the demand will gradually diminish. Last year the tea sold in China for export amounted to 200,000,000 catties; India tea sent to all parts amounted to 16,000,000 catties; Ceylon tea to 2,000,000 catties. This year the export of Indian tea has risen to 19,000,000 catties and of Ceylon tea to 4,000,000 catties. And it must be considered that a few years ago neither India nor Ceylon produced a single catty of tea; a few years later they produce the amounts stated, and after a few more years have elapsed there is no saying what the amount may be. China sets great store by her trade, but if Chinese merchants devote all their energies to economising labour, and stealing material with the purpose of making extra profits, it is but too probable that the tea business in China will severely suffer. I venture to suggest to the Yamên the advisability of writing to the Superintendent of Southern Trade, requesting him to issue instructions to all managers of the tea business to direct in the clearest manner all those concerned that in future the following modes of manipulating and adulterating tea must be strictly discontinued: 1, the admixture of all kinds of foreign matter; 2, the increasing of the weight by the addition of water, which leaves the leaf wet instead of dry; 3, the economising of expenses by decrease of work in firing and preparation for the market. These are all important points, and if not attended to, the tea-man's trade will meet with loss and injury. It cannot then be said that timely warning was not given. Tea is the great mainstay of Chinese commerce.

The question is one which [illegible] duties, and thereby the Im[illegible] it affects mercantile proper[illegible] the well being of the people [illegible] as [illegible] not remain quiescent and [illegible] have accordingly spoken [illegible] with compliments."

DEPARTMENT OF STATE
JUN 9 1886
RECEIVED

Separate. One enclosure.

Legation of the United States
Peking, April 12th 1886.

Honorable Thomas F Bayard
Secretary of State
Washington

Sir:—

I have the honor to hand you enclosed a duplicate statement of my salary account for the quarter ending March 31st 1886.

1/—

I have the honor to be,
Sir,
Your obedient servant
F. D. Chester.

Enclosure
1. Statement as above.

Separate. One enclosure.

Legation of the United States,
Peking, April 12th 1886.

Mr. F. D. Chester
to the
Secretary of State
Subject
Transmits duplicate
statement of salary
account for quarter
ending March 31st 1886.

DEPARTMENT OF STATE
JUN 9 1886
RECEIVED.

Seperate.

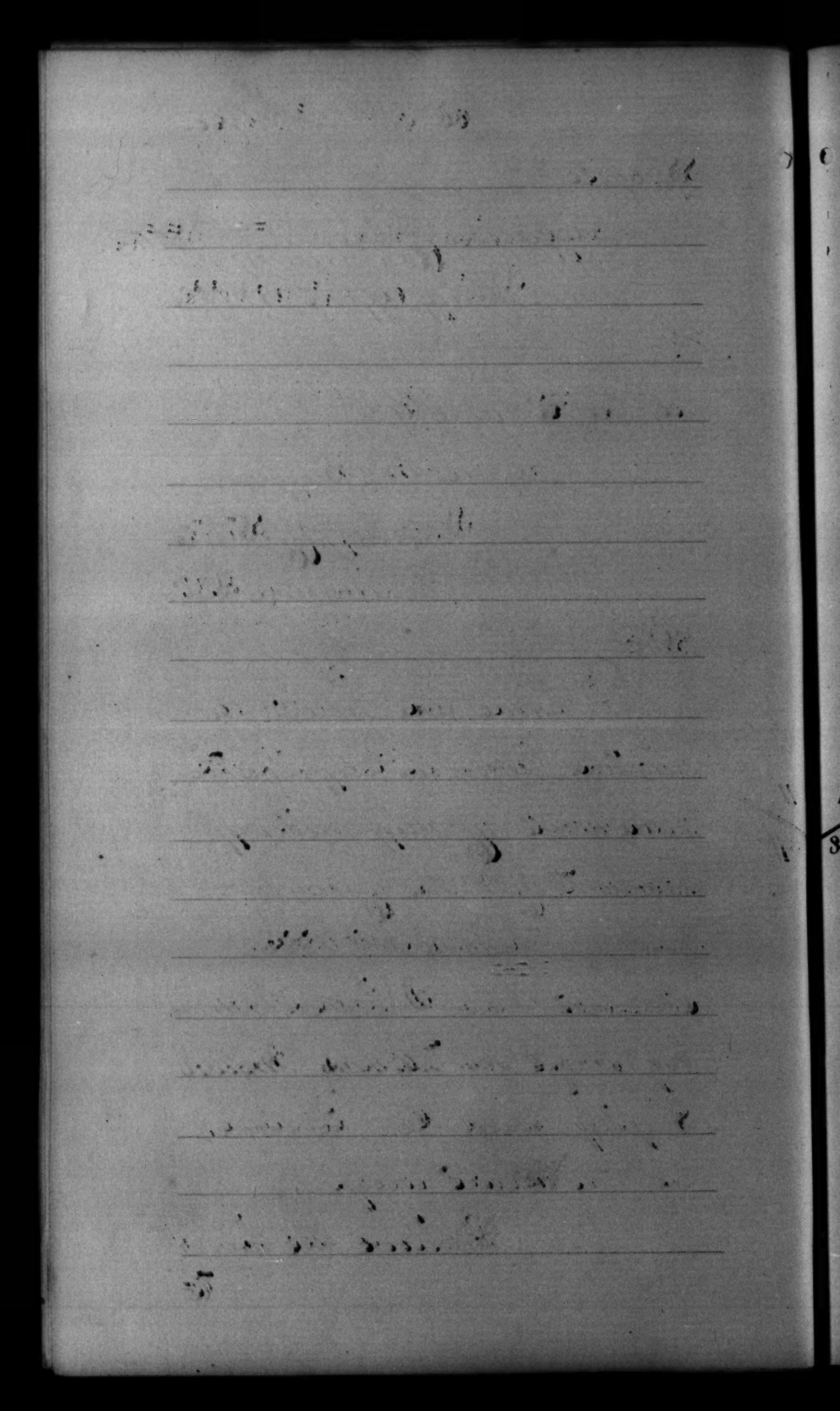
Legation of the United States.

Peking April 15th 1886.

Chas. Denby Jr. to the
Secretary of State.

Subject
Duplicate statement salary
account.

Inclosed



One enclosure.

Seperate.

Legation of the United States.

Peking April 15th 1886.

To the Honorable

Thomas F. Bayard

Secretary of State.

Washington, D.C.

Sir:

I have the honor to enclose herewith duplicate statement of my salary account for the quarter ending March 31st 1886. Against this I have drawn my draft on Messrs Brown Shipley and Co., London, in the usual way.

1/sep.

I have the honor

To

to be, Sir,

Your obedient servant,

Chas. Denby Jr.

Second Secretary

of Legation.

Enclosure:

1. Statement as above.

DEPARTMENT OF STATE
JUN 28 1886
RECEIVED.

No. 128.

Legation of the United States,
Peking April 15th 1886.

Mr. Denby to the
Secretary of State.

Subject.
Duplicate statement Salary account.

Filed

One enclosure.

No. 128.

Legation of the United States.
Peking April 15th 1886.

To the Honorable
Thomas F. Bayard
Secretary of State
Washington, D.C.

Sir:

I have the honor to
enclose herewith duplicate
statement of my salary
account for the quarter
ending March 31st.

1/128

I have the honor to be,
Sir,
Your obedient servant,
Charles Denby

Enclosure
1. Statement as above.

One enclosure

No. 129.

DEPARTMENT OF STATE
JUN 28 1886
RECEIVED.

Legation of the United States.
Peking April 16th 1886.

Mr. Denby to the
Secretary of State.

Subject.
Duplicate statement Rent
Account.

Duplicate

One enclosure

No. 129.

Legation of the United States.
Peking, April 15th, 1886.

To the Honorable
Thomas F. Bayard
Secretary of State.
Washington D.C.

Sir:

I have the honor to
1/129 enclose herewith duplicate
statement of the rent account
of this Legation for the
quarter ending March 31st

I have the honor to be,
Sir,
Your obedient servant
Enclosure. Charles Denby
1. Statement as above.

DEPARTMENT OF STATE
JUN 28 1886
RECEIVED.

No. 130.

Legation of the United States.
Peking April 15th 1886.

Mr. Denby to the
Secretary of State.

Subject.
Duplicate statement Contingent
Expenses.

One enclosure.

No. 130.

Legation of the United States
Peking April 16th 1886.

To the Honorable
Thomas F. Bayard
Secretary of State
Washington, D.C.

Sir:

I have the honor to
enclose herewith duplicate
statement of the contingent
expenses of this Legation
for the quarter ending
March 31st 1886.

1/130

I have the honor to be,
Sir,
Your obedient servant,
Charles Denby

Enclosure.
1. Statement as above.

file

DEPARTMENT OF STATE
JUN 28 1886
RECEIVED

No. 131.

Legation of the United States,
Peking, April 19. 1886.

Mr. Charles Denby to the
Secretary of State.

Subject.

Acknowledging receipt of despatches
43 to 45 inclusive.

No: 131.

Legation of the United States
Peking, April 19, 1886.

The Honorable
Thomas F. Bayard
Secretary of State
Washington D.C.

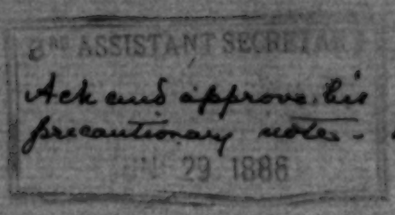
Sir,

I have the honor to acknowledge the receipt of your despatches numbered 43 to 45 inclusive.

I have the honor to be,
Sir,
Your obedient servant
Charles Denby

Mr Everett
29





Doc to Exam to the Cust Cs

No. 132. One Inclosure.

Legation of the United States,
Peking, April 19, 1886.

Mr. Charles Denby to the
Secretary of State

Subject.

Acknowledges No. 45 in re. John P. Cowles' for claim for reduction of duty on damaged exports. No actual case has arisen but Foreign office notified that we will insist on views now approved by the Department.

One Inclosure.

No. 132.

Legation of the United States,
Peking, April 19. 1886.

The Honorable
Thomas F. Bayard
Secretary of State
Washington. D.C.

Sir,

As a further acknowledgment of your despatch No. 45 of the 4th March last, touching the claim of John P. Cowles Jr. of Foochow for reduction of duty on damaged spots.

I have the honor to state that no actual case has as yet arisen, but if one should arise I will insist on compliance with the views stated in your despatch, of which the Tsung-li

Yamên

Yamên is aware by a note which I sent it on the 13th December 1885, a copy of which I now enclose.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Inclosure

1- Mr. Denby to the Tsung-li Yamên

No. 9. 1885. December 13. 1885.

Enclosure 1 in No. 132. Copy.

No. 9/1885.

Mr. Denby to the Foreign Office -

Peking Dec. 13th 1885

Your Imperial Highness and
Your Excellencies:

I have the honor to bring to the notice of Y.D.H. and Y.E. a question which has been submitted to me by an American merchant at Foochow in the matter of the construction put by the Customs Authorities at that port on the 41st Article of the British Treaty, which relates to damaged goods.

The article reads -

"Upon damaged goods a
"fair reduction of duty
"shall be (made) allowed
"proportionate to the deterioration.
"If any disputes arise they
"shall be settled in the
"manner pointed out in
the

"the clause of the treaty having
"reference to articles which
"pay duty ad valorem".

The language cited
in this article is unmistakable
as to the class of goods
referred to. It refers to damaged
goods and none others,
and which I understand
to mean imports as well
as exports.

The representation made
to me from Foochow shows
that the Commissioner of
Customs interprets the said
article of the treaty to mean
only <u>damaged imports</u>
and not exports. Such an
interpretation appears to me
to be decidedly unfair and
unjust and is not warranted
by the language of the article
cited.

The said merchant
further states that he applied

to

to the Customs for permission
to export some damaged
brick-tea at the the
proportionate reduction of
duty which application
was refused, the Commissioner
of Customs stating that
full duty must be paid
and then he could move
the authorities to obtain
a refund for amount of
damage the tea had
sustained. I believe at
some of the treaty ports a
reduction is made on
damaged exports in
proportion to the amount
of damage the goods have
sustained and I will
thank Y.I.H and Y.C to
issue instructions to all
the Commissioners of Customs
at the treaty ports that the
duties on damaged goods
imports and exports shall
be

be paid on the value of the goods and not to demand the payment of full duties, which will save the trouble of afterwards applying for a rebate.

I have the honor to be
Y.D.H and Y.E
obedient servant
(signed) Charles Denby

DEPARTMENT OF STATE
JUN 9 1886
RECEIVED.

/

Legation of the United States,
Peking. April 27. 1886.

Mr. W. W. Rockhill to the
Secretary of State.

Subject.

Acknowledges receipt of Commission
upon confirmation by the Senate.

Legation of the United States
Peking, April 27. 1886.

The Honorable
Thomas F. Bayard
Secretary of State.
Washington. D.C.

Sir,

I have the honor to acknowledge the receipt of your despatch of January 26, last, forwarding my commission as Secretary of the United States Legation in China, upon confirmation by the Senate.

I have the honor to be,
Sir,
Your obedient servant,
W. W. Rockhill
Secretary of Legation.

DEPARTMENT OF STATE
JUN 9 1886
RECEIVED.

Seperate.

Legation of the United States.
Peking April 27th 1886.

Chas. Denby Jr. to the
Secretary of State.

Subject.

Acknowledges receipt of
Commission.

Separate.

Legation of the United States.

Peking, April 27th, 1886.

To the Honorable

Thomas F. Bayard

Secretary of State,

Washington, D.C.

Sir:

I have the honor to acknowledge the receipt of your despatch of January 26th 1886 enclosing my commission as Second Secretary of the Legation of the United States to China.

I have the honor to be,

Sir,

Your obedient servant,

Chas. Denby Jr.

Second Secretary.

"China"

Form No. 1.

CABLE MESSAGE.

Mr Everett

THE WESTERN UNION TELEGRAPH COMPANY.

All CABLE MESSAGES received for transmission must be written on the Message Blanks provided by this Company for that purpose, under and subject to the conditions printed thereon, and on the back hereof, which conditions have been agreed to by the sender of the following message.

THOS. T. ECKERT, General Manager. NORVIN GREEN, President.

NUMBER	SENT BY	RCVD BY	No. OF WORDS	FROM
15 Ny	He		23	Swatow 1006 May 2 1886

Received at

To Bayard

Washn

Acknowledged May 4 86

Viceroy Canton telegraphs sincere purpose protect americans to enable act efficiently urges indemnity sufferers punishment criminal I heartily concur'

Derby

Secretary of State
MAY 3 1886

file

No 133.

3RD ASSISTANT SECRETARY
Ackd by no. + file.
JUN 29 1886

DEPARTMENT OF STATE
JUN 28 1886
RECEIVED.

Mr Lovett
29

Legation of the United States.
Peking May 14th 1886.

Mr. Denby to the
Secretary of State.

Subject.
The signing of the Franco-
Chinese Treaty at Tientsin.

No 133.

Legation of the United States.
Peking May 14th 1886.

To the the Honorable
Thomas F. Bayard
Secretary of State,
Washington, D.C.

Sir:

I have the honor to inform you that, on the 25th ultimo, a treaty was signed at Tientsin between France and China, regulating the commercial relations between the two countries on the new frontier line between China and Tongking.

The treaty was signed by

by Monsieur George Cogordan, the Fruch Plenipotentiary in China, assisted by Monsieur Edward Bruwart, on the part of France, and by H.E. Li Hung Chang on the part of China.

The treaty is not generally considered very satisfactory and does not definitely dispose of all questions pending between the two countries. I will forward a translation of the text in extenso in a few days. The Fruch text has not been made known.

I have the honor to be

, Sir,

Your

Your obedient servant,

Charles Denby

Ask Secy to return enclosure when Dept have done with it

3RD ASSISTANT SECRETARY
Ack.d July 1. 86
Copy to Navy Dept's July 1. 86
JUN 29 1886

DEPARTMENT OF STATE
JUN 28 1886
RECEIVED.

Mr Everett

No 134.

29

Legation of the United States.

Peking May 14th 1886.

Mr. Denby to the

Secretary of State.

Subject.

The Chinese Northern Fleet.

One enclosure.

No. 134.

Legation of the United States.
Peking, May 14th 1886.

To the Honorable
Thomas F. Bayard
Secretary of State,
Washington, D. C.

Sir:

I have the honor to
forward you herewith an
extract from a Shanghai
paper which describes the
present condition of the
Chinese northern fleet, known
as the Pei Yang squadron.

The German instructors,
who for the last year and
a half have had control of
the

the Northern Squadron, are rapidly being retired. Captain Lang R.N., to whose efforts the Chinese Navy already owes so much, has returned to China and resumed direction of the Fleet.

At present attention is much attracted to the fleet on account of the tour of inspection which the Seventh Prince (the father of the Emperor) is about to make of it and the maritime defences in the North.

You will remember that the Seventh Prince was appointed last winter President

of

of the new Board of Admiralty. He is expected to leave Peking today.

This journey is significative as being the first one of the kind which any member of the Imperial family has ever undertaken. Besides visiting Tientsin and Taku he will go to Port Arthur and Chefoo, possibly even further south.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Enclosure-

1. Extract from N. C. D. N. May 7th 1886.

Enclosure 1 in No. 134.

THE CHINESE PEI-YANG SQUADRON.

A Correspondent in a Northern Port writes:—The rumours about the movements of the Pei-yang Squadron are numerous; but I have reason to believe that the following statements are correct. The powerful ironclads *Ting Yuen* and *Chen Yuen*, accompanied by the swift ironclad torpedo cruiser *Tsi Yuen*, arrived at Taku about the middle of April, where they were joined at the end of the month by the Armstrong cruisers *Yang-wei* and *Chao-yung*, which arrived from Chemulpo *vid* Chefoo and Port Arthur. The Armstrong cruisers had been stationed during the winter at Chemulpo, the sea port of the Corean capital, Seoul, where their gallant commanders, courteous officers, and well-behaved crews have always been great favourites.

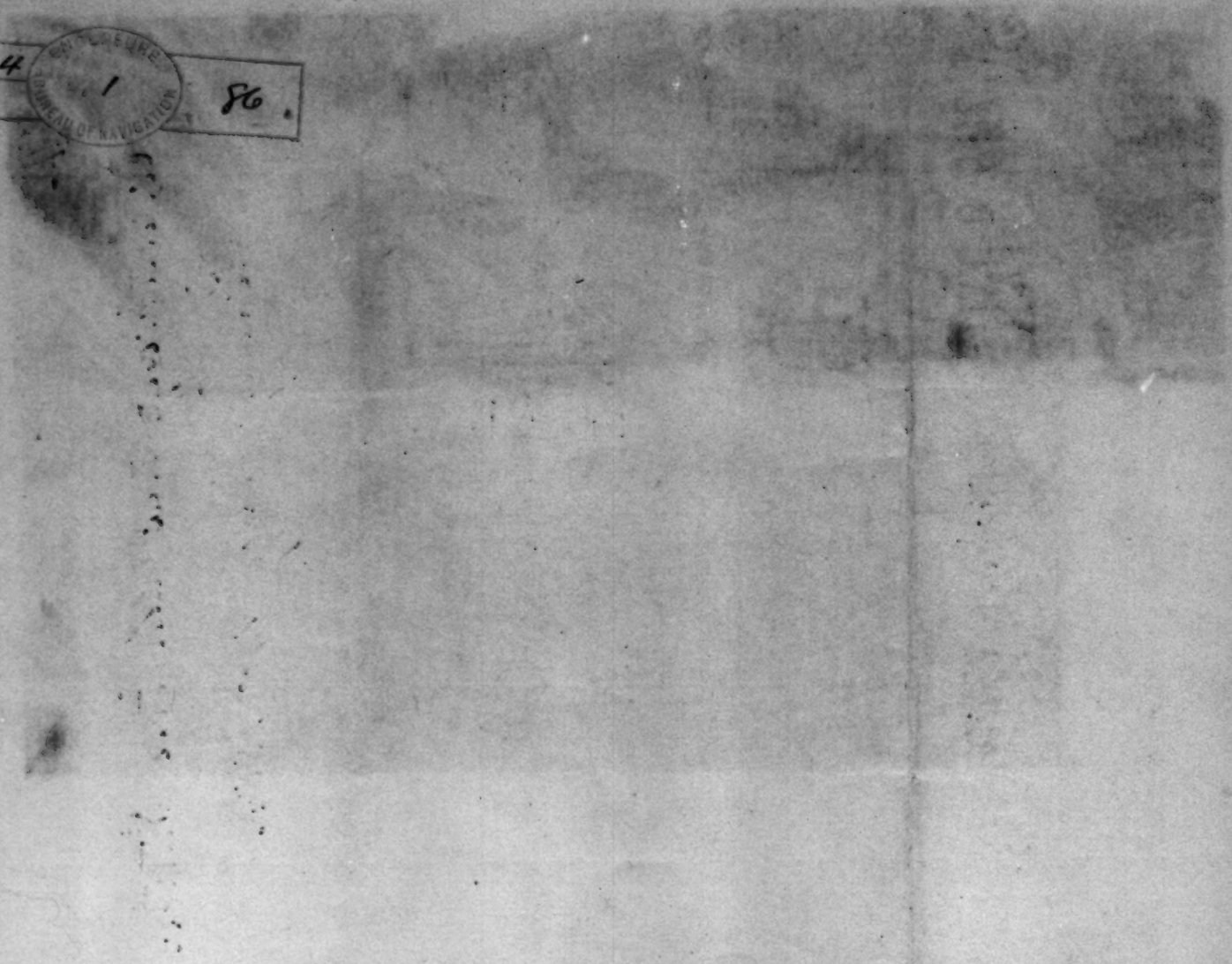
Some of the commanders and officers of the Northern Squadron have served in foreign navies, while many of the junior officers have gone through a course of studies abroad, at the command of His Excellency Li Hung-chang; and, considering the many opportunities your present Correspondent has had of forming a judgment of the *personnel* and *materiel* of the Chinese Northern Squadron, he does not hesitate to assert that the fine fleet known as the Pei-yang Squadron is certainly officered and manned by the *élite* of the Chinese Navy.

Admiral Lang has again taken charge of the Northern Fleet and he has not been idle; since he has done so, he and his staff have been round already on a tour of inspection of the Northern Naval and Military Stations. Besides the English Admiral and his staff, there are several other officers of foreign nationality on board some of the vessels, as instructors in the several departments, and it is very likely that if the people on board the Pei-yang Squadron were called upon to show their teeth to an enemy, they would render a different account of themselves, than the unfortunate crowd did at Pagoda Anchorage.

Two French engineers arrived from Port Arthur at Taku by the Armstrong cruiser *Yang wei*; they probably not only have carefully studied the harbour works and fortifications of Port Arthur, but also have been afforded an additional opportunity of studying the armament of the Armstrong cruisers, and if they make conscientious reports to their government, perhaps they will advise them to henceforth keep on friendly terms with "The Middle Kingdom;" because there can hardly be a doubt now that the Pei-yang squadron alone is quite capable of coping single handed with any other fleet at present stationed in Eastern Asiatic waters. The Chinese authorities are to be congratulated on affording the representatives of their late French foes, an opportunity of investigating the new Chinese naval stronghold Lu Shun Kao, otherwise known as Port Li or Port Arthur, to convince them that owing to the genius of the director of fortifications, General von Hanneken, Port Arthur if attacked would not be easily taken. The director of the harbour works at Port Arthur, Mr. Engineer Sawer, and the Superintendent of the Port, Yuan Taotai, are busily engaged in transforming the place to such an extent as to afford a safe basis of operations for a much larger fleet than the Pei-yang squadron. I think the Commander-in-chief Admiral Ting, as well as Admiral Lang and the Viceroy Li Hung-chang must be highly congratulated on the efficient state of the Pei-yang squadron; the most powerful branch of the Imperial Chinese Navy, which the father of His Majesty the Emperor, the seventh Prince, is about to inspect conjointly with H. E. the Viceroy accompanied by Mr. Commissioner Detring, at an early date, I believe.

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C
NAVY DEP'T
ENCLOSURE.
1886.

2074
ENCLOSURE
No. 1
BUREAU OF NAVIGATION
1886.



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DEPARTMENT OF STATE
JUL 26 1886
RECEIVED

No 135.

Mr Everitt 27

Legation of the United States.

3rd ASSISTANT SECRETARY
Ack by No. + file
JUL 26 1886

Peking May 17th 1886.

Mr. Denby to the

Secretary of State.

Subject.

Prince Chun's intended tour.

No. 135.

Legation of the United States.
Peking May 17th 1886.

To the Honorable
Thomas F. Bayard
Secretary of State
Washington D.C.

Sir:

As a further reference to my despatch No. 134 of the 14th instant, announcing the intended departure for Tientsin of Prince Chun, the Father of the Emperor, I have now to inform you that it has been decided that the day after his arrival in Tientsin, he will receive the Consular

Consular Body, both he and they to stand and exchange no conversation, merely salutations (bows). This was brought about by the French Consul notifying the Customs Taotai at Tientsin that he had been instructed by his Minister to call on the Prince.

After the reception of the Consuls the Prince will inspect part of the Troops at Tientsin. Thence he will proceed to Taku where he will inspect the fleet - about fifteen men-of-war.

After this he will go to Peitang Port Arthur and Chefoo, whence returning to Tientsin

Tientsin, he will review the Viceroy's army (about 10,000 men). A day or two later he will return to Pekin'g. The above program may however be altered later on.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Confidential

DEPARTMENT OF STATE
JUL 26 1886
RECEIVED.

No. 136.

Legation of the United States.

Aug. 13. 1886 OAG

Peking May 17th 1886.

Acker Asst. Sec'y

Mr. Denby to the

Secretary of State.

Subject.

Chester Holcombe's interview with Li Hung Chang.

3RD ASSISTANT SECRETARY.

JUL 26 1886

Dr Wharton:

Mr Holcombe's action seems to come dangerously near the prohibition of Section 5335, Rev. Stats.

aab

DEPARTMENT OF STATE,

OFFICE OF SOLICITOR.

WASHINGTON, July 26, 1886.

I am clearly of opinion that Mr. Holcombe is guilty of the offence prohibited by Rev. Stat. §5335; (the Logan act of 1799, as to which see Wharton's Intern. Wharton. Crim. Law §2234, Pomeroy 1797 Am. Const. Law §747, Story Const. Law §1818, Life & Jeff. III 47.) But I have my doubts as to prosecuting such cases.

L.

No. 136.

Legation of the United States.
Peking, May 17th 1886.

To the Honorable
Thomas F. Bayard
Secretary of State
Washington, D.C.

Sir:

I have the honor to inform you that Mr. Chester Holcombe, formerly Secretary of this Legation, having returned to China a short time ago, has had an interview at Tientsin with Li Hung Chang, in which he dwealt with great bitterness on the insults heaped on China

China by the Government of the United States and the people. He strongly urged the Viceroy to deprecate the acceptance by China of the indemnity which has been proposed to Congress.

The Viceroy seemed to be so much impressed by the arguments of Mr. Folcombe that he said the following day that in case he were consulted on the question he would unquestionably advise the Chinese Government to refuse the proposed indemnity.

Since then Mr. Folcombe has arrived in Peking and it

is

is presumed that he will endeavor to present to the Foreign Office the same arguments offered Li Hung Chang.

The above facts have been forwarded to the Legation from a thoroughly reliable source.

On the other hand this Legation has been informed that the Tsung-li Yamen is well pleased both with the President's Message concerning the Chinese indemnity and the words in which it was written.

I have the honor to be, Sir,

Your obedient servant,

Charles Denby

DEPARTMENT OF STATE
JUL 26 1886
RECEIVED

No. 137.

Legation of the United States.

3RD ASSISTANT SECRETARY.
JUL 26 1886

Peking May 24th 1886.

Mr. Denby to the
Secretary of State.

Subject.

Translation of the French and Chinese Trade Convention enclosed.

Copied for publication

One inclosure.

No 137.

Legation of the United States.
Peking May 21st 1886.

To the Honorable
Thomas F. Bayard
Secretary of State
Washington D.C.

Sir:

I have the honor to
forward you herewith a
translation of the Chinese
text of the commercial
convention recently concluded
between France and China.

The endless formalities
and restrictions which this
Convention throws in the
way of trade between Annam
and

1/137

and China must crush any commerce which may spring up between the two countries.

With the exception of the neutral zone, which is not mentioned in this convention, it is substantially the same as that which was negotiated by Mr. Bourée in 1882 and which the French Government would not ratify.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Inclosure -

1. Franco-Chinese Convention regulation commercial relations on

on the Franco-Chinese
frontier, April 25th 1886.

Enclosure 1 in No. 137.

Translation –

Draft of Trade Regulations for the Annam Frontier jointly determined on by China and France –

Whereas in the 6th article of the treaty drawn up by the Government of China and the French Republic upon the 27th day of the 4th moon of the 11th year of Kuangsü, corresponding to the 9th day of June 1885 by western reckoning it is stated that "Regulations "for the conduct of overland "trade between Tongking and "the Chinese provinces of "Yunnan, Kwangsi and "Kwangtung will be jointly "discussed and concluded "by Commissioners appointed "by the two Powers, and will "form a supplement to the present

"present Treaty"; and whereas
in the 10th Article of that
Treaty it is stated that
"the provisions of former
"Treaties and regulations
"agreed to by China and
"France, except in so far as
"they are modified by the
"present agreement, will
"continue to retain their
"original validity"; the
Plenipotentiaries of His Imperial
Majesty the Emperor of China
and the President of the French
Republic, that is to say the
Plenips. of H. M. the Emperor of
China, Li, Grand Tutor of the
Heir apparent, Grand Secretary
of the Wen-hua Hiene Hall,
Minister Superintendent of trade
for the Northern Sea-board, Joint
Commissioner of Admiralty,
Governor General of Chihli and
a member of the first rank
of the third grade of hereditary
nobility

nobility with the laudatory appellation Su-i;

and the Plenipotentiary of the President of the French Republic, Cogordan, Minister Plenipotentiary to China, decorated with the Cross of the Legion of Honor of the Fourth Class, and the star of the Second Class of the order of the Crown of Italy and bearing the rank of under Secretary of State for Foreign affairs,

together with Bruwaert Bruwaert Consul of the first class, Assistant Commissioner for Treaty negotiations, decorated with the order of Vasa of Sweden of the 3rd class and the Order of Leopold of Belgium of the 5th class,

after having communicated to each other their respective Full Powers and found

found them to be in due form have accordingly concluded the following articles:

Article I.

It is arranged between the two Governments that whereas in conformity with the provisions of Art. V of the new Treaty two places should now be indicated, one some point above Pao-shêng (Laokai), the other some point to the north of Langson, at which the Chinese Govt. shall establish Customs for purposes of trade, and shall consent to the (immediate) appointment of Consuls by the French Govt. at those and these French Consuls shall enjoy the same privileges and advantages of the most favored nation; [Inasmuch as at the present date of signature the Boundary

Commissioners

Commissioners of the two Govts have not yet determined at what point north of Langson a trading centre should be opened, it shall be incumbent on the Chinese Govt to select such place in consultation with the French Representative in China within the present year. As regards the place to the north of Laokai to be opened to foreign trade, this shall also be fixed upon in consultation when the frontier of the two countries shall have been inspected and determined.

Article II.

The Chinese Govt is at liberty to establish Consuls at Hanoi and Haiphong, and shall hereafter consider with the Govt of France the appointment of Consuls to reside at the large cities or towns in other parts of Yunking. The

treatment

treatment accorded by France to such Consuls and the privileges and advantages enjoyed by them shall be similar in every respect to the treatment and privileges accorded by France to the Consuls of the most favored nations. They shall transact their official business with the high officer (or officers) appointed by the French Govt as "Protector" (or Protectors).

Article III.

Both Governments undertake that upon the arrival of a Consul appointed by either Power to take up his official residence assistance shall be rendered by the local authorities of either Govt in the ~~maintenance~~ establishment or preservation of the public offices in which he shall reside.

When French merchants

or

or citizens visit the places open to trade on the Chinese frontier, the action taken shall be in all cases that laid down in the 7th, 10th, 11th and 12th articles of the Treaty between France and China dated the 27th day of June 1858.

When Annamese subjects visit the places open to trade on the Chinese frontier the same treatment shall be accorded them by the Chinese Govt.

Article IV.

Chinese subjects shall be permitted to purchase land, rent houses or establish places of business or warehouses in any part of Annam, and shall receive full protection for their persons and property. They shall on no account be treated with harshness or tyranny, nor shall any restraint

be

be put upon them; there shall be no difference whatever between the treatment accorded to them and that enjoyed by the subjects of the most favored Western nation. The official or private correspondence and telegrams of Chinese officials and merchants despatched or received through the French Postal or Telegraph offices shall be sent and delivered in the same manner as other correspondence and shall not be subjected to any hindrance. The treatment of French citizens by the Chinese Govt shall be equally liberal in this respect.

Article V.

In the event of French citizens or persons under French protection, as well as the subjects or citizens of other nationalities residing in Tonquin, wishing to

to cross the frontier into Chinese territory, the French authorities shall satisfy themselves of the respectability of such persons and shall then apply to the Chinese Frontier officials to issue a passport. When furnished with such passport they shall be allowed to proceed, but it must be surrendered for cancellation upon their return. In every instance in which the holder of a passport is compelled to pass through the territory of tribal chieftains or aborigines, the fact must first be recorded on his passport that as there are no Chinese officials in the places in question protection can not be afforded.

In the event of Chinese subjects in China wishing to proceed by land from China

to Annam, the Chinese officials shall satisfy themselves of the respectability of such persons and shall apply to the French officials for the issue of a passport, the action taken being in every respect similar to that required in the case of the French subjects entering Chinese territory. The passports issued by either party shall be used simply for purposes of travel and shall not be allowed to be employed as a voucher for the purchase or sale of commodities and exemption from duty thereon.

In all cases of persons crossing the frontier without being furnished with a passport, the Chinese local authorities shall, in the case of China, be at liberty to detain such person, and in the

the case of Tsingtau, the French authorities shall be allowed to do likewise, respectively handing him over to the authorities of his own nationality, who shall deal with him as they may consider necessary under the circumstances.

In the event of Chinese subjects who are temporarily residents in Annam returning from Tsingtau to China, all that will be required is a certificate from the Chinese authorities permitting them to cross the frontier.

French citizens and others at the places on the frontier open to trade will not be required to apply for a passport when travelling in localities less than fifty Li distant from such places.

Article VI.

All imports conveyed by

by French merchants and citizens or persons under the protection of France to the places upon the frontier open to trade which shall already have paid the import duty may forthwith be taken into Chinese territory for sale in accordance with Art. VII of the Rules appended to the Tariff and the general Rules in force at the various maritime Customs for the conveyance of foreign goods into the Interior under transit pass.

Upon the arrival of foreign goods of any description at the Custom Houses at the two places, to be hereafter determined, on the Yunnan and Kwangsi Frontiers, a report shall be furnished containing a description of the goods, with specifications of their number and the name

of

of the importer, whereupon an Agent of the Customs shall be sent to inspect the goods, which upon verification of the description given, shall pay a regular duty equal to one-fifth less than that laid down in the Chinese Maritime Tariff. In case of goods not enumerated in this Tariff regular duty shall be levied at the rate of five per cent ad valorem, but the regular duty must be paid in full before the goods can be ~~taken~~ removed from the places where they are stored ~~landed~~, transferred to other conveyances or sold. Should the merchant concerned wish to convey the goods into the interior he must once more report them at the Customs and must pay the half inland duty as prescribed in the maritime Customs Tariff, nor can the levy of such half

duty

duty be calculated as one half the regular duty minus twenty per cent.

After this half duty has been paid, the Customs will issue a duty certificate entitling the holder to take the goods to the place indicated thereon for sale. No further levy of duty will be made at any Customs Station or Barrier the goods may encounter, but any goods conveyed into the interior which are unaccompanied by such certificate will pay duty and likin at any Customs Station or Barrier they may come to in accordance with the rules governing local produce.

Article VII.

All French merchants or citizens or persons under the protection of France proceeding to any places in Chinese Territory

territory and purchasing ... local products which are conveyed to the places open to trade on the frontier for export therefrom into Tsigkung shall be allowed to do so under the conditions laid down in art. VII of the Rules appended to the Tariff with regard to the conveyance of native produce for export.

Native produce of any description conveyed from the provinces of Yunnan and Kwangsi to the places open to foreign trade to be here- after determined shall upon arrival at the Customs at these places be reported thereat, the report containing a description of the goods, with their numbers and the name of the person conveying the goods. An agent of the Customs shall thereupon be sent to inspect the goods

and

aid verify the description. In the case of the merchant in question having previously taken out triplicate pass with which he has gone himself into the interior to purchase goods upon which he has not paid the inland duties or likin, he will be required, in conformity with the Chinese Maritime Tariff, first, to pay the half duty, and then to pay a regular duty equivalent to two thirds of that prescribed by the Chinese Maritime Tariff. In the case of articles unenumerated in the tariff a regular duty will be paid on the basis of 5 per cent ad valorem. This regular duty paid the goods may be warehoused and transfered to other conveyances for transport and sale beyond the barrier.

Should the merchant.

in

in question enter Chinese territory and buy native produce without having taken out a "triplicate pass" the proper duty or likin thereon will have to be paid at all Customs Stations or likin barriers which the goods may pass, the Stations or Barriers issuing certificates as vouchers for these payments. On arrival at the frontier Customs the goods will be exempt from half duty upon production of these certificates from the inland Stations and Barriers.

All carts and animals ~~conveying the goods of~~ belonging to French citizens or others which pass the frontier Customs Stations of Yunnan and Kwangsi, inwards or outwards, as well as the carts or animals conveying the goods of Chinese subjects either into or out of Tongking, shall

shall, one and all be exempt from taxation. The boats of either country passing the frontier stations by water-ways accessible to boats may be called upon to pay tonnage dues in accordance with the rules prevailing at the various Maritime Customs [of China].

It is agreed by both Governments with reference to the foregoing articles Nos VI and VII that in the event hereafter of any other power arranging a separate frontier Trade Tariff for the land routes on the northwest of China with the Chinese Govt the Russ Govt can likewise ~~take similar action~~. claim similar advantages.

Article XIII

Article VIII.

Foreign goods, upon arrival at one of the Frontier Custom Houses, which shall have already paid the regular import duty and shall, in consequence of not being sold, be conveyed to the other Frontier Customs House, may, within the space of thirty six months, if on inspection the original goods have not been opened or changed, receive an exemption certificate for the regular duty from the first Customs House which shall be allowed to be tendered at the second Custom House in satisfaction of the duty leviable thereat, or a drawback certificate may be given which will be available for payment of duties at the Custom House by which it is issued any time in three years. but in no case will ready

money

money be returned.

Should such foreign goods be taken from thence to a Chinese Treaty Port the usual regular maritime import duty on such foreign goods will be levied, and, with a view to the avoidance of confusion, neither this Frontier Customs Drawback or Exemption Certificate nor the Frontier Customs Duty Receipt will be allowed to be tendered in lieu thereof. No Drawback Certificate will be given for goods upon which the half inland duty has already been paid in accordance with the rule prevailing at all the Ports.

Article IX.

Native produce which has already paid the half and regular export duty at one Frontier Custom House and shall be

be taken to the other Frontier Customs for sale shall only pay a second import duty amounting to half the regular duty already paid, but in conformity with the established rules prevailing at all the ports it shall not be conveyed into the interior by foreign merchants for sale. Such native produce upon importation into any maritime Treaty Port for sale shall in every instance be dealt with in accordance with the tariff on foreign imports and another regular duty be levied thereon. If it be conveyed into the interior it will still have to pay the inland duty.

In the case of native produce exported from a Chinese port into a port of Annam and from thence again taken to the Chinese Frontier it

it will upon arrival have to pay a regular duty in like manner with foreign goods, and inland duty again upon entering the interior.

Article X.

Upon the arrival of goods, whether exports or imports, at the Frontier Customs application must be made for the inspection thereof within a period of 36 hours. Should the goods not have been reported within this limit a fine of Fls. 50 shall be levied for every day's delay, but such fines shall not exceed Fls 200 in the aggregate.

Should accurate proof be obtained of an intent being present to defraud when passing the goods over the frontier by reporting less than there actually are for duty with the object of securing a reduction on the amount levied

the

the whole of the goods shall be confiscated. All goods which, unaccompanied by a permit from the Supt of Customs, are clandestinely conveyed across the frontier or discharged or sent round by circuitous routes or broken up into parcels for sale or attempted to be smuggled in any other way shall be liable to confiscation.

Any merchant applying at the Customs for a Transit Pass who shall, with intent to defraud, furnish a false statement of the description or number of his goods, or whose declaration of the place of origin and destination show discrepancies, shall have all such goods confiscated. As regards the manner of investigating such cases the course of action to be pursued shall be that laid down in the

Regulations

Regulations bearing date the 29th day of May 1868.

In the case of goods condemned to confiscation should the merchant wish to pay the value thereof to the authorities he will be permitted to do so at a valuation arrived at with the Chinese authorities.

The Chinese authorities shall be at liberty to adopt the means that they may judge most proper for the prevention of smuggling along the Chinese frontier.

Chinese, French and Annamese boats or junks plying on the water-ways shall not be required to discharge their cargoes ashore upon passing the barriers of either Power, if the pass and cargo correspond and there are no other irregularities. The Customs will only send an agent on

board

board to inspect the goods.

Article XI.

Chinese produce entering Tsingkiang from the land side shall pay import duty in accordance with the French Customs Tariff, but all such produce intended for export shall be exempt from duty.

Should the French Govt. hereafter frame a new Customs Tariff or rules for Tsingkiang there shall be duly communicated to the Chinese Govt, and if in time to come special duties shall be fixed in Tsingkiang upon certain classes of local products worked up into manufactures or upon "certified" gold or silver, Chinese articles of the same description shall be similarly taxed upon importation into Tsingkiang.

Article XII.

All

all native produce passing through Tsiquin in process of conveyance from the Chinese Frontier Customs to the other, and all native produce sent back to China from either Frontier Customs by way of any seaport in Annam shall pay the transit duty for Tsiqking laid down in the French Tariff, but such transit duty shall not exceed two per cent ad valorem.

The above produce shall after leaving Chinese territory be inspected by the French Customs who will issue a certificate which shall contain a specification of the goods and of the number and destination thereof. The holder of this certificate will produce it at the demand of any French official en route and also on arrival at the maritime port.

With

with a view to the prevention of smuggling, all such produce shall pay the regular import duty in advance upon entry into Tsingtau. A receipt for this duty will be issued by the French Customs which will be presented for inspection on the arrival of the goods at the sea-port or Frontier Customs as the case may be. The French Customs will then deduct the transit duty from the regular import duty and return the balance to the holder of the receipt who will thereupon surrender his receipt for cancellation.

Inasmuch as the arrangement for the transit of this native produce across Tsingtau is a novel one, should proof positive be discovered that the merchant concerned has, with intent to

defraud

defraud made a false declar-
ation of the description and
number of his goods or
should the place of origin
and destination be found not
to correspond with the particulars
given the whole of such goods
shall be confiscated.

Should the merchant
wish to pay to the authorities
the money value of goods
condemned to confiscation he
is at liberty to do so at a
valuation arrived at with the
French authorities.

The arrangement
specified above for taxation in
transitu shall be applied to
all Chinese produce in
transitu through Annam
that is exported through any
maritime customs establishment
to a sea port in Annam and
thence conveyed through
Tonking to the Chinese frontier

Customs

Customs.

Article XIII.

The following articles shall be granted a duty exemption certificate by the Chinese frontier customs, on either importation or exportation, provided that they are found after inspection to be bonâ fidi foreign origin, are for the personal use of foreigners, and are in reasonable quantities: Gold and silver bullion, foreign coins, flour, Indian meal, sago, biscuits, preserved meats and vegetables, cheese, butter, confectionery, foreign clothing, jewelry, plated ware, perfumery, soap of all kinds, charcoal, firewood, candles (foreign) tobaccs, cigars, foreign wine (beer, spirits) household stores, ships stores, personal baggage, stationery, carpeting, druggeting, cutlery, foreign medicines

medicines and glass and
crystal ware.

But if such articles are
not reported for inspection,
or if they are clandestinely
conveyed elsewhere, the same
penalties will be enforced as
those provided in the case of
foreign merchandize.

If imported into the
interior, with the exception of
gold and silver bullion,
foreign coins and personal
baggage, they will, in spite
of the fact that they are for
the personal use of foreigners
and insignificant in quantity,
pay an inland duty at the
rate of 2½ per cent ad valorem.

Chinese subjects passing
the Tsingkiang Frontier Customs
outwards or inwards will not
be required to pay duty at
the French Customs upon any
money, personal baggage, clothes

Jewelry

jewelry, pens, ink and stationery, books, personal appliances or articles of food they may have with them.

All articles imported by Chinese Consuls for their personal use will, similarly, be free from duty.

Article XIV.

Both Governments engage that neither foreign nor native opium shall be allowed to be conveyed overland across the frontiers of Yingking and Yunnan, Kwangtung and Kwangsi for purchase or sale.

Article XV.

The export of rice or other grain across the Chinese frontier is prohibited but if imported through the Chinese Frontier Customs it will be exempt from duty.

The import of gun-

powder

powder, shot, firearms, cannon, saltpeter, sulphur and spelter together with all munitions of war, salt or any articles destructive of morality is forbidden under penalty of entire confiscation.

Munitions of war procured by Chinese officials or by merchants who have received special written authority to purchase such must be inspected and duly verified at the Customs before they can be allowed to pass.

The Chinese high authorities will be at liberty hereafter, after consultation with the French Consuls, to pass arms and munitions of war through Yunking across the frontier, and, under these conditions, they shall be entirely exempt from duty at the French Customs.

Similarly the import is

prohibited

prohibited into Tongking of all arms and munitions of war together with any articles destructive of public morality.

Articles XVI.

Chinese merchants and subjects temporarily residing in Annam, who may be concerned in cases of homicide, revenue cases or litigation generally shall receive the same treatment as that accorded by France to the merchants and subjects of the most favored nation.

Disputes between Chinese subjects and French citizens or Annamese residing at the places on the frontier open to trade shall be jointly tried by Chinese and French officials.

Offences whether serious or trifling committed by French citizens or persons under French protection

protection at the places open to trade shall be dealt with in the manner laid down in Articles 38 and 39 of the Treaty of 1858.

Article XVII.

If Chinese subjects at the places on the Chinese frontier to be opened to foreign trade, who are guilty of any offence whatever against the laws of China, shall take refuge in French houses or on board French ships or in the houses or ships of persons under the protection of France, upon the official application of the local authorities to the Consul, and upon the particulars of their guilt being ascertained, steps shall be taken to seize and forward them to the Chinese officials for trial and punishment.

If criminals, subjects of China, shall take refuge in

in Annam, they shall upon due requisition by the Chinese authorities addressed to the French authorities, be searched for, and on proof of their guilt, be delivered up in the manner provided for in the Extradition Treaties entered into between France and the most favored nation.

In the event of crimes committed by French citizens or persons under French protection, should the accused take refuge in Chinese territory, the Chinese authorities shall, upon due requisition addressed to them by the French authorities, and upon proof of his guilt, take steps to secure such person and deliver him to the French authorities for trial and punishment. These persons shall not be harbored or concealed in the smallest

degree

degree by either Party.

Article XVIII.

In cases in which provision has not been made in the present articles for the regulation of land frontier trade, action shall be taken in accordance with the Chinese Maritime Customs Trade Regulations, or in a manner consistent with the general provisions of existing treaties.

In the case of other matters upon which no arrangement has been determined the authorities of both governments shall apply to their respective countries for instructions.

Should any addition to or revision of the foregoing articles hereafter be found necessary, such addition or revision shall be decided upon in consultation at the expiration

of

of ten years from the exchange of Ratifications in the manner provided for in Article VIII of the new Treaty.

Article XIX.

The present Trade Regulations shall be published in China, France and Annam, and shall come into force as soon as they have been ratified by both Governments; and, as before, the ratification shall be exchanged at Peking, at the latest, within one year from the date of signature Kuang Hsii, 12th year, 3rd Moon.

April 25th 1886.

Copied, August 1886.

file

DEPARTMENT OF STATE
JUL 26 1886
RECEIVED.

No. 138.

Legation of the United States.

Peking May 28th 1886.

Mr. Denby to the
Secretary of State.

Subject.

Acknowledging despatches.

No 138.

Legation of the United States.
Peking May 28th 1886.

To the Honorable
Thomas F. Bayard
Secretary of State
Washington, D.C.

Sir:

I have the honor to acknowledge the receipt of your dispatches numbered 46 to 55 inclusive.

I have the honor to be,
Sir,
Your obedient servant,
Charles Denby

Sent enclosure to Treasy?



No. 139.

Legation of the United States.

Peking. May 29th 1886.

Mr. Denby to the

Secretary of State.

Subject.

Transmits Customs Gazette

Jan - March 1886.

One copy To Treasury July 27, 1886 ✓

One copy To W. Post July 27, 86 ✓

One enclosure.

No. 139.

Legation of the United States.
Peking May 29th 1886.

To the Honorable
Thomas F. Bayard
Secretary of State,
Washington D.C.

Sir:

I have the honor to
1/139 forward to you herewith two
copies of the Customs Gazette
for January-March 1886.

As far as can be
gathered from these returns
the condition of our trade
with China during that
period was satisfactory.

I have the honor to be,
Sir

Sir,

Your obedient servant

Charles Denby

Enclosure -

1. Two copies Customs-Gazette Jan.-Mar. 1886. [Dsp cover]

file

DEPARTMENT OF STATE
JUL 26 1886
RECEIVED.

No. 140.

Legation of the United States.

3RD ASSISTANT SECRETARY.
JUL 26 1886

Peking May 31st 1886.

Mr. Denby to the
Secretary of State.

Subject.

Prince Chün's return to Peking.

Synopsis.

Prince highly pleased with his trip. Satisfaction at foreign improvements in various departments.

Result important as encouragement to progressive ideas. Bad health of the Emperor.

No. 140.

Legation of the United States.
Peking, May 31st 1886

To the Honorable
Thomas F. Bayard
Secretary of State
Washington, D.C.

Sir:

As a further reference to my despatch No. 135 of the 17th instant, announcing the departure of the father of the Emperor on a tour of inspection of the fleet and army, I have now the honor to inform you that the Prince has returned to Peking today.

I learn from trust-

worthy

worthy sources that he was much pleased with his trip and with the numerous improvements which have been introduced in the different departments he examined.

The result cannot but be of importance, and the Viceroy, Li Hung Chang, is both encouraged and strengthened in his progressive plans. It is also to be noted that during his voyage the Prince showed a very favorable disposition to foreigners. The English fleet came to Port Arthur on the occasion of his arrival there and Admiral Hamilton and his officers were received by the

the Prince. So likewise at Chefoo where the French fleet had come to meet him.

Another item of interest which, though it is not yet confirmed, is very generally credited, is the failing health of the Emperor, who, it is feared, is consumptive. A native doctor, who was very successful a few years ago in his treatment of the Empress and was recompensed with the post of sub-prefect of Tientsin, has been ordered to Peking to attend the Emperor who has of late had several hemorrhages.

D

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

DEPARTMENT OF STATE
JUL 26 1886
RECEIVED

No. 141.

Legation of the United States.

Peking, May 31st 1886.

Mr. Denby to the

Secretary of State.

Subject.

Obstructions in Canton River.

Synopsis.

Obstructions to trade by closing of Southern Channel during French war. Consular efforts to secure removal failed. Limited diplomatic action in same line unsuccessful. Determination of authorities never to remove barriers. Negotiations to be continued.

No. 141.

Legation of the United States.
Peking, May 31st 1886.

To the Honorable
Thomas F. Bayard
Secretary of State
Washington, D.C.

Sir:

During the month of August 1884, the Governor General of the two Kwangs, Chang Chi-tung, had the southern channel of the Canton River closed by barriers and obstructions of piles, stones, and sunken junks to prevent hostile ships menacing Canton.

This

This southern channel offers the easiest means of access for vessels to Canton, the water in it being much deeper than that in the northern channel, where, at low tide, there is not over six feet a few miles below Canton.

Since this date the southern channel has remained closed to navigation notwithstanding the united efforts of the Consuls, who represented to the Viceroy the great detriment to foreign trade occasioned by the closing of the only deep water approach to Canton, for, not only were vessels

vessels obliged to wait for the tide, but in many cases they were absolutely debarred from reaching Canton, and had to lighter their cargo, occasioning thereby great additional expense.

The Consuls having utterly failed in their endeavors, the question was taken up by the Diplomatic Corps at Peking, and in a conference held on the 16th of April last, it was decided that the different Legations should address despatches to the Tsung-li Yamên on the question. Under date of May 21st I wrote to the Yamên stating

stating the fact that the obstructions in the Canton River by the continual silting of the river were being continually added to, so that if they were not shortly removed they would constitute a permanent barrier, which would close to the commerce of the world one of the chief emporiums of trade in China. I moreover alluded to the fact that, during my recent visit to Canton, I had learnt that seventy vessels had, during the past year been kept away from Canton and that the maintenance of these

obstructions

obstructions was a source of general anxiety to the foreign commercial community of Canton.

Under date of the 23rd instant I received a reply from the Yamên which is identical with that which it has sent to the other Legations in reply to their despatches on the same subject. The Yamên states that it is in receipt of a despatch from the Viceroy of Canton in which, after stating the nature of the two channels and the facilities which they offer, he says that it has been

asked

asked of him by the Foreign Consuls either to remove the obstructions in the south channel (Sha-lu) or to have appointed a deputy at Whampoa who could transact the business of ships. These points the Viceroy had referred to the Commissioner of Customs at Canton, Mr. Kipp's-ley, who replied in substance that during the previous year 1067 foreign vessels had entered or cleared at Canton, of which 90 were German. But few vessels have experienced any delay, one day at the most, by being obliged to navigate the north

Channel

channel. As to the request made by the German Consul that a deputy be appointed at Whampoa it was deemed inexpedient as the bulk of foreign Trade with Canton was carried on with native junks and the burden imposed by the closing of the channel only bore on Chinese subjects. The chief argument of the Yamên against reopening the south channel is that the Viceroy having memorialized the Throne requesting that it might be kept closed forevermore the Emperor has given his approval and

Thus

thus disposed of the question.

(It is proposed to continue, if possible, negotiations with the Yamên on the subject, but with what chance of success I can not now say.) omit

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

This is out of place - It belongs to next despatch, No. 142 - J.B.M.

1/142

I enclose herewith the note which I sent the Yamên.

2/142

The answer which I received under date May 31st appears satisfactory, and we have every reason to believe that work on the bar will be resumed at an early date, especially as the request of the Foreign Representatives is backed by one which the Shanghai Taotai has recently made to the Tsung-li Yamên begging that the dredging might be recommenced at once.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Enclosure.

Enclosures -

1. Mr. Denby to Foreign Office
Note May 21st 1886.

2. Foreign Office to Mr. Denby
Note May 31st 1886.

Translation. Enclosure 1 in No. 142.

Mr. Denby to the Foreign Office.

— " —

Informal. May 21st 1886.

Your Imperial Highness and Your Excellencies:

This Legation, in common with the Representatives of the other Treaty Powers, has had occasion in past years to address you on the subject of the bar which exists in the Huang Pu River and which constitutes such a great obstacle in the way of vessels desiring to reach Shanghai.

The Chinese Government, well aware of the importance of removing this barrier to trade, had commenced this work several years ago. Political complications came and arrested the execution of this most essential undertaking, but now that there have happily

happily been removed, nothing can be in the way of the Govt carrying out, what we know, from the assurances it has formerly given this Legation, to be its steadfast purpose, the removal of a serious obstruction in the way of trade and a source of additional expense to the owners of ships entering Shanghai.

I, therefore, beg to call the early attention of Y.D.K. and Y.C. to the advisability of recommencing the work of dredging the bar in the Huang Pu (the Wooming bar) and of completing a great work of general usefulness which has only been arrested in its execution by unforeseen circumstances.

I avail myself of this opportunity to etc. etc. etc.

Translation.

Enclosure 2 in No. 142.

The Foreign Office to Mr. Denby.

"——

Informal. May 31st 1886.

In reply to Your Excellency's note, of May 21st, in which, referring referring to the Wooning bar in the Kuang pu river, you request that the work of dredging may be resumed, as it is difficult for foreign shipping to reach Shanghai and increases greatly their expenses, this Yamên has to state that the question of dredging the Wooning bar has already been the subject of despatches and notes similar to the above from the Ministers of Russia England and Germany. This Yamên has already written to the Southern Dept of Trade asking him to direct the Shanghai Customs

Taotai

Taotai to inquire into the subject and ascertain whether the now unused dredger which had been formerly bought for the purpose has at present its machinery in good working order and if it be in condition to commence work at once. The question has not yet been decided and when the reply of the Southern Superintendent of trade comes to hand and the plans submitted have been examined we will address you further on the subject.

We avail ourselves of this opportunity to wish you the blessings of the day.

Cards and compliments.

Charles Denby

DEPARTMENT OF STATE
JUL 26 1886
RECEIVED

No. 142.

Mr Lovett 27

Legation of the United States.

3RD ASSISTANT SECRETARY
Ack'd and approve
Copy to Navy Dept.
JUL 26 1886

Peking June 2nd 1886.

Aug 3
Aug 3 cir 6

Mr. Denby to the

Secretary of State

Subject.

Dredging of Tooreng Bar.

Synopsis.

Negotiations with the Yamen to secure removal of the Tooreng Bar probably successful. Correspondence enclosed.

Two enclosures-

No. 142.

Legation of the United States.
Peking June 2nd 1886.

To the Honorable
Thomas F. Bayard,
Secretary of State,
Washington, D.C.

Sir:

His Legation has during the past few years addressed several despatches to the Department on the question of dredging the Wooming Bar in the Kuang pu River near Shanghai, the importance of which operation is well known to the Department. On January

21st

21st 1882, the Chargé d'affaires
ad interim in China
wrote to the Department
announcing that steps had
been taken by the Chinese
Authorities to dredge the bar
and deepen the channel of
water communication between
Shanghai and the sea. A
dredger was purchased and
work actually commenced,
but the outbreak of troubles
with France shortly after
arrested the work, which has
not since been resumed.

On the 16th of April
last the Diplomatic Corps
at Peking decided to address
the Yamên on the subject.

I

have been

DEPARTMENT OF STATE
JUL 26 1886
RECEIVED

No. 143.

3rd ASSISTANT SECRETARY.
Ack by No. + file
JUL 26 1886

Legation of the United States.

Peking June 2nd 1886.

Mr. Denby to the
Secretary of State.

Subject.

Influence of French control in Foochow on trade at Canton.

Synopsis.

H.B.M. Consul at Canton reports that French control in Foochow will not materially affect Canton trade. Report enclosed.

One enclosure.

No. 143.

Legation of the United States.
Peking June 2nd 1886.

To the Honorable
Thomas F. Bayard.
Secretary of State,
Washington. D.C.

Sir:

I have the honor to
1/143 forward to you herewith for
your information a report,
addressed by H.B.M. Consul
at Canton to the Chargé
d'Affaires at Peking, on the
influence which the acquisition
of Tuqking by the French
can exercise on the trade of
Canton and of the advisability
of

of opening a new port on the West River to counter-balance the new French market. The Consul does not think that the trade between Tsingking and southwestern China can materially affect Canton and deems it inexpedient to have a new port opened west of Canton.

I have the honor to be,

Sir,

Your obedient servant.

Charles Denby

Enclosure.

1. Clipping from Shanghai Courier May 26th 1886. Report of H.B.M. Consul to Mr. O'Conor.

Enclosure 1 in No. 143.

CONSUL GARDNER TO MR. O'CONOR.

CANTON, 5th August, 1885.

Sir,—I have the honour to acknowledge receipt of your despatch of the 24th June, directing me to furnish you with remarks on the effect of the commercial stipulations (Arts. V. and VI.) of the Treaty recently concluded between France and China upon the trade, via Canton, with the inland markets of Kwangtung, Kwangsi, and Yunnan, and how far I considered the opening of a Treaty port on the West River—as, for instance, Wuchow—would counterbalance the advantages secured to the French by the present Treaty.

I crave your indulgence as to the time I shall be able to forward the detailed Report, with maps, I am now preparing, and only venture at present to lay before you certain views formed on the broader and more prominent facts.

I do not think the stipulations alluded to will have an appreciable effect on the trade, via Canton, with the inland markets of Kwangtung, Kwangsi, and Yunnan, and I am inclined to believe that the opening of a Treaty port on the West River—say, at Wuchow—would counterbalance the advantages secured to the French by the present Treaty.

The inland trade between Kwangtung and Tongking is insignificant; it is a very small interchange of commodities between the Lien-chow Prefecture in Kwangtung and the Quangyen Province in Tongkong. The Quangyen Provence is sparsely inhabited, mostly by Hakkas, whose wants are simple; the few Manchester and foreign goods they consume will, I think, as hitherto, reach them neither from Canton nor the French ports in Tongking, but from Hongkong, Macao, and Pakhoi.

As to the inland trade between Kwangsi and Yunnan I have not yet ascertained how far the Thai-ninh, or Langson, river is navigable. It is navigable at, all events, to Kwang-li-chiao, just above Bac-li. I am told that it is not navigable even to Langson. Above Langson the country is but sparsely populated.

The populous south-west corner of Kwangsi (comprising the Prefectures of Tai-ping, Nan-ning, Chin-ngan, Tien-chow, and Sz-ngan) will, I think, continue to receive its imports by the West River from Hongkong, Macao, and Pakhoi, and will discharge its exports via Canton. A southern branch of the West River* is navigable to Lung-chou, and from thence foreign goods are imported into Tongking through the duty station on the frontier called Chên-nan Kuan.

As to the inland trade between Tongking and Yünnan, I do not think that for many years to come it will assume important dimensions. I doubt whether it will ever be as great as the French expect. The Yünnan Province is not densely populated, and I do not consider that more than a portion of its trade is ever likely to pass through Tongking.

A great portion of Yünnan is mountainous and sterile. I hear that many of the plains are uncultivated, and covered with jungle or long grass. The principal crops are grown on terraces of the lower hills. The towns of Yunnan are neither numerous nor very populous. The great wealth of the province consists in its mines of galena, copper, tin, &c.; these mines are not at present fully worked. Even if the bright hopes the French entertain as to the mineral wealth and future large population are realized, this will not injuriously affect Canton; while Hongkong, Macao, and Pakhoi will be able to compete favourably with the French ports in Tongking in supplying, by way of the West River such increased population with the comm duties it requires.

With Yunnan the trade routes follow four rivers: the Irrawaddy, the Upper Yang-tsze, the West River and its affluents, and the Songkoi. †

The trade by the Irrawaddy only affects the extreme west of Yunnan, and is partly carried by the Nan-ta-ping River. It is considered that the present trade would justify the making of good roads between Bhamo and Momein (T'eng-yueh), but that it would not pay to carry these roads on to Ta-li Fu, as between Ta-li Fu and Momein there are six difficult ranges of mountains to cross.

The trade by the Upper Yang-tsze affects the north of Yunnan, including the Prefecture of Chautung, which General Meany states is the most populous and richest part of Yunnan; but a few of our goods find their way by that route, even as far south as Yunnan Fu.

It is worthy of remark that goods should take this long route involving transhipment at Shanghai, Hankow, and Ichang, and then go through the formidable rapids below and above Ch'ung King. It is still more worthy of remark that the greater portion of the trade between Yünnan and the Upper Yang-tsze goes by the route followed by M. Rocher in 1871; that is, the commodities are again transhipped at Na-chi Hsien, go up the Yung-ning River to Yung-ning Hsien whence they are conveyed by mule-back through a corner of Kwei-chow to the various markets in Yünnan.

The cost of conveyance from Yung-ning Hsien to Yünnan Fu is 7 taels per customary picul of 120 catties. The lesser portion of the trade only finds its way by the easier route of Hsü-chow. (The route followed by Messrs. Lagrée and Garnier in 1867-68.) I am informed that the preference for the Yung-ning route is due to the heavy imposts levied at Ta Kwan.

The trade by the West River would, if things depended entirely on geographical considerations, affect only the east of Yünnan.

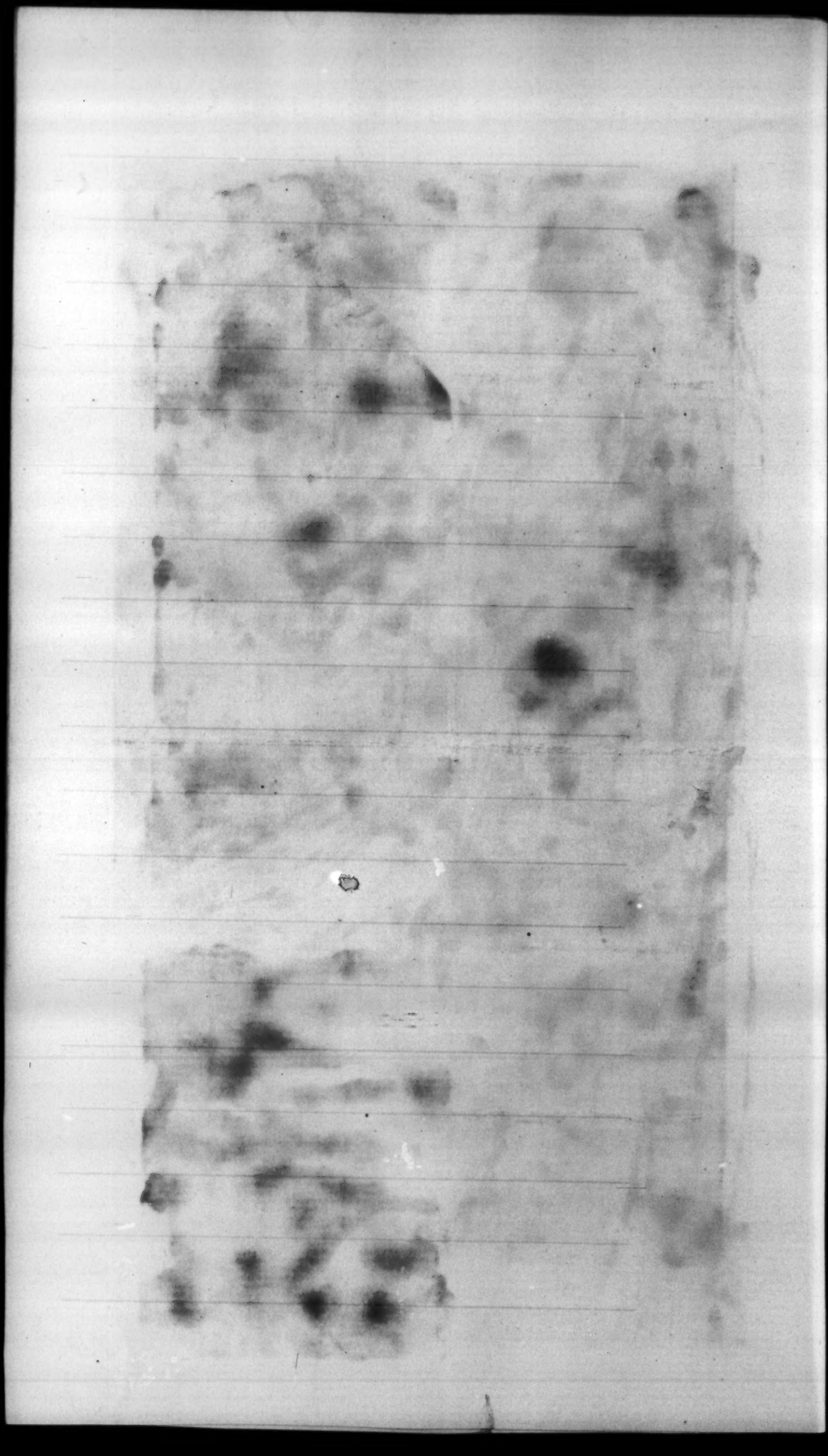
There are two branches of the West River flowing together at Ling-an Hsien by which communication can be had with Yünnan. The northern branch is the Hung-shui River, the southern is the Ngo-yü. I am informed that, though the Hung-shui River has the disadvantage of some formidable rapids, there was formerly a great local traffic on it; that this traffic has at present nearly ceased is considered due rather to the depopulations caused by disorders than to the difficulties of navigation, and it is believed that now order has been restored the traffic will revive.

On the Ngo-yü River there is a very large traffic. It is navigable by large boats to Pai-hsieh T'ing, and thence by small boats or canoes, carrying 1 ton or so, to Si-lin. Chinese merchants at Pai-hsieh T'ing state that

---

* The Tso River, an affluent of the Ngo-yu River, which latter is the southern branch of the West River.

† I do not mention the Yuan River flowing into the Tung-ting Lake, though it was the route taken by Mr. Margary, because the long land journey across Kwei-chow bars carriage of commodities.



the import trade to that mart last year amounted in value to 2,000,000 taels, one-half of which was forwarded to various markets in Yünnan, the other half was consumed locally and in Kwei-chow. Pai-hsieh T'ing is only two or three days' journey from the town of Kwang-nau, and is still nearer the town of Kwei-chow in Yunnan. According to M. Dupuis, Pai-hsieh T'ing is nineteen, according to General Mesny twenty-two days from Yun-nan Fu. The cost of transporting merchandize from Pai-hsi-h T'ing to Yunnan Fu is about 6 taels the customary picul of 120 catties.

The main branch of the Song-koi River would be the natural outlet of the trade of south and central Yunnan. On the other hand, I do not think its eastern affluents, the Chin-ho and Nan-si Ho, can be thus utilized.‡ The Ching-ho, or Blue River, has its source in the hills above Kai-hwa, and flows into the Song-koi River just above Sontay. Only a very small portion of the Ching-ho is navigable, but Kai-hwa itself is a very poor place, and the little trade it does is done entirely with Pai-h-ien T'ing on the West River by way of Kwang-nau.

The Nin-si Ho flows into the Song-koi, by Lao-kai, and is not navigable. The Song-koi River, on the other hand, in spite of a few not formidable rapids above Lao-k i, is navigable, except in very dry seasons, in December and January, by large boats as far as Mong-hwa (or Man-hao, Mong-ko, Man-hai, &c., as it is variously spelt.)

Mong-hwa is the point of juncture of the Ho-ti and Li-seeu rivers. The Ho-ti River is, by landing cargo at rapids, navigable by skiff or canoes to Pakang, where there is a custom-house. This custom-house is about 30 miles south-west of Liu-ngan, and about 40 miles south-east of Yüan-chiang Chou. The Li-seeu River passes through Pu-urh, the most southerly district of Yunnan, which produces the celebrated Pu-urh tea mentioned in my Ichang Trade Report for 1883. The Li-seeu River is only navigable by skiffs and canoes, and I have not ascertained how far it is navigable by them.

Most of the trade between Tongking and Yünnan will, I think, be by water as far as Mong-hwa, and thence by porter or mule back to the various marts in Yünnan.

From Mong-hwa to Yünnan-Fu the journey by land is easy, and occupies, according to M. Dupuis, eight days; according to others, eleven. The cost of conveyance of the customary picul of 120 catties is about 8 taels or so. Close to Mong-hwa there are the rich tin mines of the Mong-tsze district, which are now in fair working order. Yet Pai-hsieh Ting, in spite of its distance, absorbs at present most of the produce of these mines.

The conclusion I am tempted to draw from the above facts is that, considering that in China geographical facilities are often less important factors of routes of trade than financial arrangements, and considering also that for various reasons it will not be to the interest of the provincial authorities of Yünnan to favour the route by the Song-koi River, most of the trade with Yünnan will be conducted by the West River.

With regard to the desirability of opening a Treaty port on the West River, I think if this is done Wu-chow should be the point selected. In the first place because I am told that Wu-chow is about the highest point of the West River easily reachable by steamers. Secondly, because Wu-chow is situated at the junction of the West River and the Fu River.

The Fu River is itself an important waterway flowing through a rich district and passing various populous towns such as Kwei-liu, etc. Its importance was greatly increased some years ago by the digging of a canal connecting it with the Siang River, which, after passing the important towns of Yung-chow, Heng-chow, and Chang-sha, flows into the Tung-ting Lake. The Canton boats I saw at Ichang in 1878 had come from Canton by the above route.

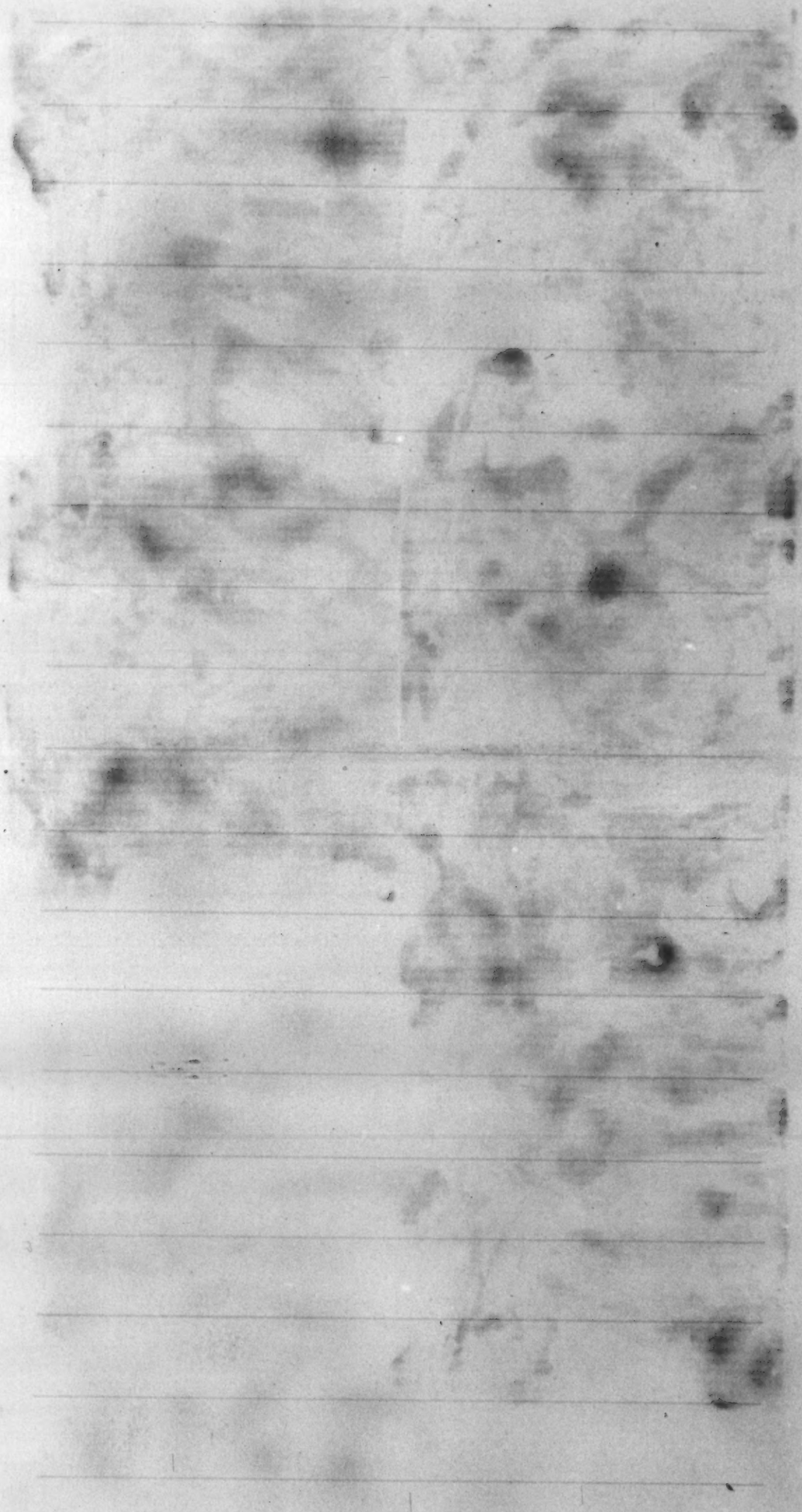
The opening of Wu-chow as a Treaty port would possibly cause a loss in trade to Canton in exports, especially tea, and to Hankow in both imports and exports. I fear it would not increase to any great extent the bulk of our trade with China. Our goods already reach Wu-chow pretty freely, and as for the native produce that passes through Wu-chow, it has only a very few extra miles of inexpensive waterway to find its outlet by Canton.

The reasons for it coming to Canton are the extra duties charged on junks and cargoes clearing thence for Hongkong and Macao.

In conclusion, I have to express my thanks to General Mesny for the very obliging manner in which he furnished me with information.—I have, &c.

(Signed) C. T. GARDNER.

‡ The very valuable map of M. Garnier attached to "Voyage d'Exploration en Indo-Chine" (Paris, 1873) does not give the course of these two streams quite accurately. They are given accurately in M. Dupuis' "La Conquete de Tonquin, par Vingt-sept Français, 1880."



Mr Everett

DEPARTMENT OF STATE
JUL 26 1886
RECEIVED.

No. 144.

3RD ASSISTANT SECRETARY.
acted. July 27 86
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Legation of the United States.
Peking, June 5th, 1886.

Mr. Charles Denby
to the
Secretary of State.

Subject.

H. B. M. Minister and the Shanghai Chamber of Commerce.

Synopsis.

Committee of Chamber of Commerce submit grievances to Sir John Walsham. Unsatisfactory condition of duty drawbacks. Possible solution, make them equivalent cash, or payable for duties.

No: 144. One Inclosure.

Legation of the United States,
Peking, June 5th 1886.

The Honorable
Thomas F. Bayard.
Secretary of State.
Washington. D.C.

Sir,

I have the honor to forward herewith for your information an extract from the Shanghai Courier giving a report of an interview between Sir John Walsham, H.B.M's Minister to China, who has lately arrived in Shanghai, and the Committee of the General Chamber of Commerce, which was desirous of bringing to the Minister's

attention

attention several matters which affected seriously the trade of Shanghai, the most important of which being the unsatisfactory system of duty drawbacks.

Sir John Walsham replied that he thought a solution of this difficulty might be reached by making the bonds for these drawbacks the equivalent of cash, or by allowing them to be held as payable for any duties at an open port Custom House.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Inclosure.

1. Report as above.

No. 144. Inclosure.

THE INTERVIEW OF THE CHAMBER OF COMMERCE COMMITTEE WITH SIR JOHN WALSHAM, BART.

The following report has been courteously sent us by the Committee of the Shanghai General Chamber of Commerce:—

Sir John Walsham, H. B. M.'s Minister in China, having arrived at Shanghai on his way to Peking, the Committee of the General Chamber of Commerce deemed it desirable to take advantage of his presence here, with the view of bringing to his notice several matters of interest connected with the Trade of the Port which have for a long time engaged the attention of the Chamber, and regarding which the Chamber has from time to time addressed the Representatives of the Foreign Powers at Peking.

In the hope therefore that, in concert with the other Ministers, he would use his best endeavours to bring to a speedy and satisfactory conclusion these pending questions, the Committee asked Sir John Walsham to give them an opportunity, before he left Shanghai, of placing him in possession of the views of the Foreign Merchants whom they represented; and in order that he might be made acquainted with the steps which had already been taken by the Chamber in furtherance of those views, the Committee submitted to him copies of the correspondence that related to some of the principal matters in question, viz.:

The general conservancy of the river, including the dredging of the Woosung Bar.

The present unsatisfactory system of Duty Drawbacks.

The collection in the Settlement of the tax on opium, known as Lekin, in connection with which the Committee said they would be glad to receive any information which Sir John Walsham might have it in his power to give with regard to the probable operation of the Chefoo Agreement of 1876.

H.B.M.'s Minister, in reply to the invitation of the Committee, informed them that it would afford him very great pleasure to meet them, and named Saturday the 22nd inst. for the purpose, in case this date should not be inconvenient to them.

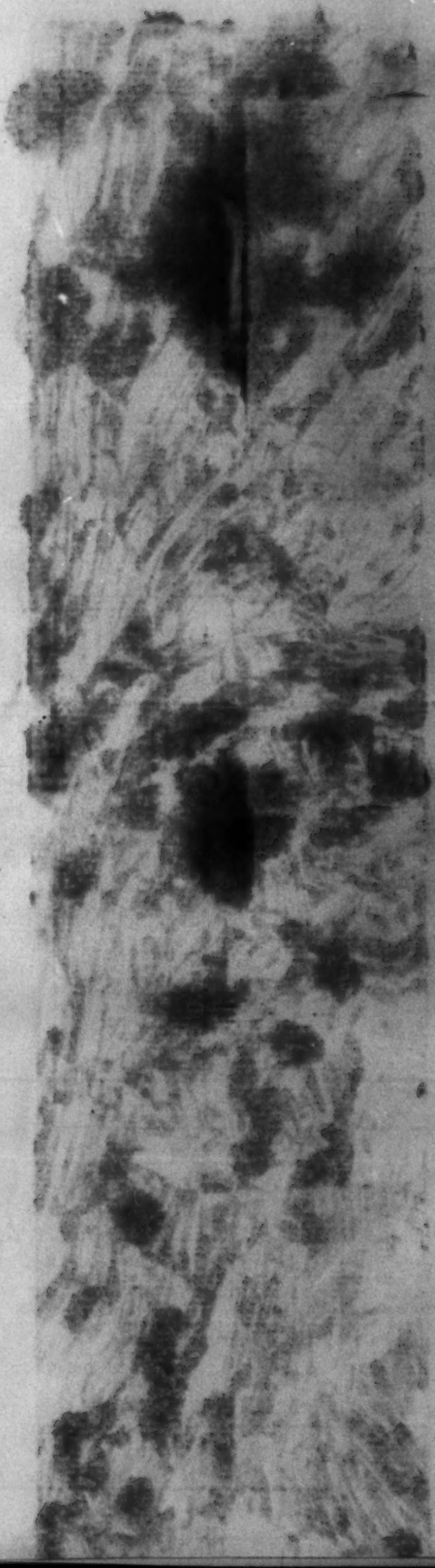
The interview took place at H.B.M.'s Consulate on the forenoon at eleven o'clock on that day, when the following members of the Committee were present:—Messrs. J. G. Purdon (Chairman), W. J. Keswick (Vice-Chairman), Brand, T. E. Haskell, C. M. Dise, A.G. and Geo. R. Corner (Secretary.)

Having been introduced by Mr. Alabaster, H.B.M.'s Acting Consul-General, Mr. Purdon offered Sir John Walsham, who was accompanied by Mr. Townley, a member of the Legation at Peking and his private secretary, a cordial welcome on behalf of the Chamber of Commerce and the mercantile community generally, expressed at the same time their gratification at having an opportunity of meeting him on his way to Peking.

Sir John expressed his sincere thanks for the heartiness of the welcome, and begged to assure the Committee that he was very sensible of the great kindness which had been shown to him and his family since their arrival. He was obliged to them, he added, for having furnished him with an occasion for becoming personnally acquainted with the Representatives of the Chamber, and of learning their views and wishes in respect of matters which affected the community, and he need scarcely assure them that no effort would be spared on his part to assist in promoting and furthering their interest.

Alluding to the points to which the Committee had more especially called his attention he would first of all say a few words on the subject of the Chefoo Agreement, and the desire of the Committee to be informed as to how the matter stood at present. As they were doubtless aware the coming into force of this Agreement under the terms of an additional article which had been signed by the two Governments, and which modified in certain respects the terms of the original Agreement; the application of the tax on opium known as lekin, figuring amongst such modifications. When he left London early last month he understood that the negotiations between the two Governments were proceeding satisfactorily, and he should not therefore have been surprised on arriving at Shanghai to learn that an arrangement had been come to for giving effect to the operation of the Article. He had not however received any further information on the subject other than the fact that H. B. M.'s Government had agreed to allow the additional article to be put into force at once, and possibly therefore, although he did not pretend to say that such was the case, any delay that had occurred might be due to the fact that the labours of the joint-commission which was to be appointed under the Chefoo agreement had not yet commenced.

As regards the dredging of the river, the foreign representatives at Peking had, he believed, within a recent date been interesting themselves in the matter, and there was good reason for hoping that dredging operations might shortly be undertaken.



With respect to drawbacks, they were of three kinds, as pointed out in the Memorandum attached to the Report of the Chamber of Commerce for 1894. It appeared, however, that the complaints of the mercantile community had reference chiefly to the hardship entailed by what were known as Coast Trade Drawbacks, on the grounds:—

1.—That they must be applied for within twelve months after arrival of the produce at the port of reentry.

2.—That they are not exchangeable for ready money, as in the case of Drawbacks for import duty on foreign goods reexported to a foreign country or to another Treaty Ports.

3.—That they are available only for payment of other coast Trade Duties at the Port of issue.

Sir John said that he concurred with the Committee in considering that the complaint of the Mercantile Community on this head was well founded, and he would use his best efforts to aid in obtaining a remedy for what in the majority of instances must cause not only serious inconvenience to the exporter, but also no inconsiderable loss. Perhaps a solution of the difficulty might be found by making the bonds for these drawbacks the equivalent of cash, or by allowing them to be held as payable for any duties at an Open Port Custom House.

The Chairman replied that he thought this would [illegible]

The Committee then thanked Sir John for their reception, and withdrew.—*Daily News.*



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Mr Loeretts
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DEPARTMENT OF STATE
JUL 26 1886
RECEIVED

No. 145.

Legation of the United States

3RD ASSISTANT SECRETARY.
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JUL 26 1886

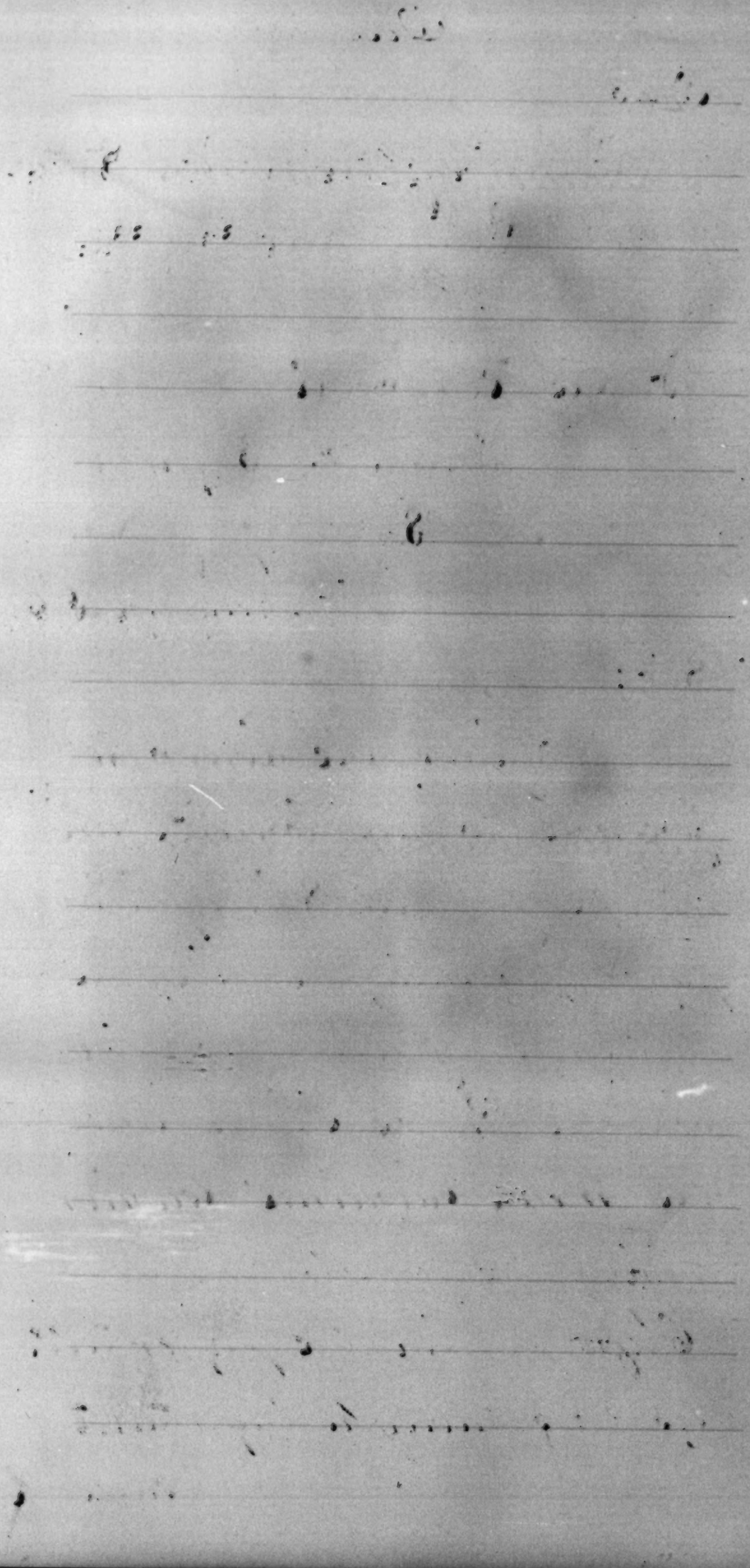
Peking June 8th 1886.

Hon. Denby to the

Secretary of State.

Subject:

Interview between the French Admiral and Prince Ch'un.



One enclosure.

No. 145.

Legation of the United States.
Peking June 8th 1886.

To the Honorable
Thomas F. Bayard
Secretary of State
Washington D.C.

Sir:

1/145 I have the honor to forward to you herewith an extract from a Shanghai paper purporting to give the substance of a conversation between Prince Chun and the French Admiral Rennier during the former's visit to Chefoo, which the paper tells us was thought important enough

enough to be telegraphed
to the French Government.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Enclosure.

1. Extract from H. C. D. N.

June 2nd 1886.

Enclosure 1 in No 145

From North China Daily News
June 2nd 1886.

PRINCE CH'UN'S TOUR.

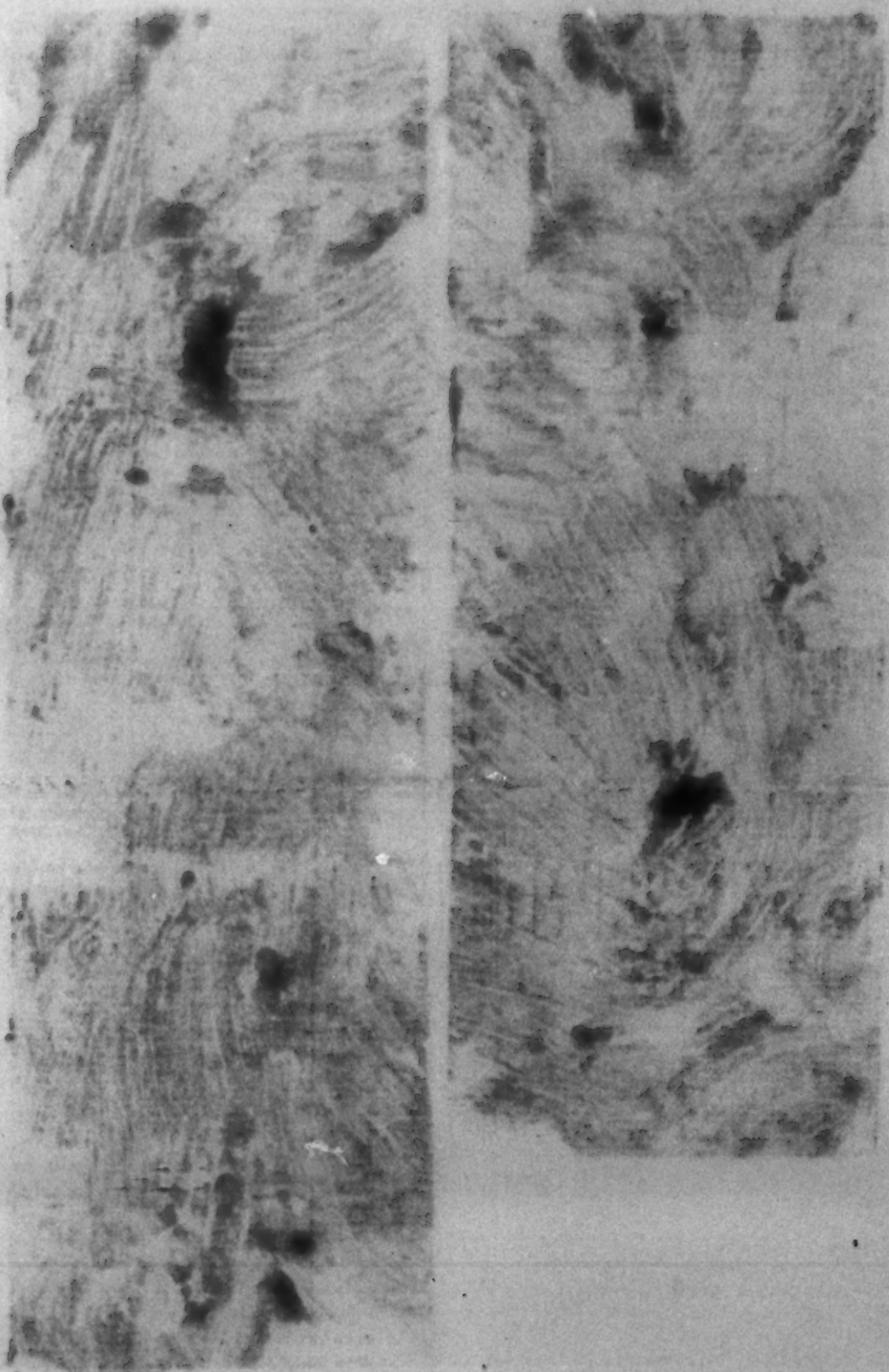
(FROM OUR SPECIAL CORRESPONDENT.)

In my account of the arrival of H.I.H. Prince Ch'un at this port, I failed to send you a full account of the French Admiral's visit to His Imperial Highness, also of the return visit paid on board the *Turenne* by their Excellencies Li Hung-chang and the Tartar General. The reason of this was simply owing to the pressure of time, as I was anxious to catch the mail leaving by the *Kwashing*. His Imperial Highness received the French Admiral most cordially on board the s.s. *Hecan*, and in the course of conversation he asked the Admiral what he thought of the Chinese fleet? The Admiral replied that the fleet was very good, and contained several very powerful vessels; that the good condition of the navy was due to the efforts of H.E. Li Hung-chang, who had great experience in foreign matters, and was a man of progress. The Prince asked if he really spoke in earnest. The Admiral replied that such was the opinion of both the English Admiral and himself. The Prince then looked at the French officers and said he was sure their nation had a good navy, because their officers looked so well. The Prince examined the Admiral's decorations, and asked what they were for. The Admiral replied one he had won in Algiers, another at Sebastopol, &c., &c. The Prince said in China officers received decorations for merit and bravery. The Prince asked many questions which showed he was seeking information. The Admiral in reply told him that China strengthened herself with warships, foreign artillery, and small arms; that she had adopted the telegraph, which enabled her to communicate instantly with the farthest provinces in the empire: that they were in friendship with all nations, and they should now turn their attention to the arts of peace. They required railways, which would give them the means of rapid transport, and help them to open up the resources of the country, to increase the production of everything, and add to the wealth and prosperity of the empire. The intercourse with foreigners would teach them new arts, while foreign inventions would facilitate every manufacture and bring the comforts of daily life within the reach of the poorest classes. The Prince said he was extremely pleased with the French Admiral's visit, and requested him to telegraph the particulars of their interview to the French Government. This the French Admiral has done. The Prince said he was sorry it was too late for them to be photographed together, as he had been with the English Admiral at Port Arthur, but he requested them to give him their photographs, which the French officers promised to do. When leaving, the French Admiral and his officers passed through a double line of high officials, who saluted them in the ordinary Chinese manner as they passed. H.E. Li Hung-chang escorted them to the top of the companion ladder, and shook hands with each French officer as he departed.

At about half-past seven in the evening their Excellencies Li Hung-chang and the Tartar-General visited the *Turenne* and returned the French Admiral's call; it was dark when they arrived. H.E. Li Hung-chang said he considered it a great honour to have been received and saluted by so many vessels of the French and English Navies; that it had given His Imperial Highness great pleasure to meet with such a grand reception. Their Excellencies partook of refreshments. They examined the fine ship and her guns, they were pleased at watching the easy action of the breech-pieces. Both their Excellencies fired a shot from one of the large 24 centimetre guns, four of which are stationed in turrets on the main deck. At half-past eight their Excellencies returned to their steam-launch. The electric light was thrown upon the companion ladder to make the descent safe. As the launch shoved off, the *Turenne* fired a salute, and thus ended this friendly visit.

J. C. F.

Chefoo, 24th May.



DEPARTMENT OF STATE
JUL 26 1886
RECEIVED

3rd ASSISTANT SECRETARY
Ack. Aug 2 86
Copy to Wal & Navy - for
attn
JUL 26 1886

Mr Coutts
27

No. 146.

Aug 2. 86 cudes

Legation of the United States.

Peking June 8th 1886.

Mr. Denby to the

Secretary of State.

Subject.

The reorganized Chinese Army & Navy.

Synopsis.

Encloses decree from Peking Gazette commending plans of reorganizing Army and Navy and conferring certain titles on native and foreign officers.

One enclosure.

No. 146.

Legation of the United States.

Peking June 8th 1886.

To the Honorable

Thomas F. Bayard

Secretary of State

Washington D.C.

Sir:

1/146 I have the honor to forward you herewith a translation of a decree, which appeared on the 2nd instant, conferring rewards on the different officers both Chinese and foreign connected with the Chinese army and navy organized on western plans.

The

The decree commends the system followed in organizing the naval and military forces and insures their maintenance and future extension.

Captain Lang who is made Brigadier General belongs to the English Navy but has for years been in the Chinese service.

Mr. von Kamecken, who receives a 3rd class button, has charge of the works at Port Arthur. He was formerly in the German Army.

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

Enclosure
1. Decree as above

Enclosure 1 in No. 146

Inclosure

Peking Gazette Wednesday June 2d 1880

A decree. In compliance with the instructions which We the Empress Dowager, etc, etc, gave him, Prince Ch'un has made a tour of inspection of the North Sea squadron of the troops and naval forces, and in a report which he now addresses Us he requests decorations for the Commanders and subordinate officers.

We have taken cognizance of this report.

In view of developing the naval forces, a Decree appeared some time ago that operations should commence with the North Sea squadron. Prince Ch'un went

went in person on a tour of inspection to Tientsin, and in company with Li Hung chang, he visited Shan, Ching, Chan, Li, Lü and Hsun. He saw the manoeuvres of the combined Southern and Northern squadrons of steam ships. He also inspected all the camps and naval fortresses, and ascertained that the men were thoroughly well drilled, and that the manoeuvres were executed with precision.

The Prince has given the subordinate officers and troops different objects and money as rewards. As to the Generals and officers whose names follow and who were not included (among the recipients of his favors) viz; Sung Ch'ing, Provincial Commander in Chief

of

of Ssu ch'uan, Chan Sheng pu, Acting
Provincial Commander-in-Chief of
Ho-nan, T'ang Jen Lien Provincial
Commander-in-Chief of the land
forces of Kuang-tung, Acting Brigadier
General of Jung yung chen, Ting
Ju-chang, Brigadier General of
Tien Ching-chen, Shih Hung-tsu
Brigadier General of Wan nan chen,
Lo Jung-kuang Commandant of
Ta-ku, Cheng Ch'ung i Colonel à
la suite, Huang Ch'un-yuan Brevet
Brigadier General, Chan Fu Customs
Taotai of Tien ching, Lin Han-
fang and Yuan Pao-ling Expectant
Taotais for Chih-li, the Board (of
Ceremonies) will determine impartially
liberal rewards. .

As to the expectant Taotais

P'an

P'an Chün-tê and Sheng Hsüan-huai, they will receive appointments to the first vacancies. In the case of the Prefect Kung Chao-yü, the Board will determine on a liberal recompense.

The lately degraded Brigadier General Wu An-K'ang who was left with the troops to prove his desire to do well, having shown great energy in the command of the Sant[redacted] ships squadron, We graciously confer on him a button of the 4th class.

The foreigners who have been the instructors on the ironclad men-of-war, have well performed their work and deserve to be stimulated with praise. Without taking into

Consideration

consideration the decorations which We have conferred on them; We now confer as a mark of Our favor on Lang Wei-li (Capt. William Lang. R.N.) for his great application to the work of naval instruction the rank of Brigadier General (Ti-Tu hsien), and Dr. Hans Ka-Klein (Kameken) who has superintended the building of model forts, a button of the 3rd class.

All these recompenses are to incite to renewed energy.

The question of coast defenses is one of paramount importance, and they must all successively be brought to a high state of perfection, and no decrease in the necessary energy allowed. According to the reports received, picked officers are the

~~this~~ first requisite for the drilling of troops, and ~~that~~ a military academy is the way to develop the talents of army men and a naval academy that for rapidly developing those of naval men. These are very important considerations.

Moreover according to what the Prince has told us both of the Academies, outside of their special studies, study the Classics and the dynastic histories. This is quite as it shd be.

Besides this the Prince informs us that the lately degraded Taotai Yang Tsung-lien has down to the present day managed the Tientsin military Academy and has been able to bring it to a high degree

of

of efficiency, and he asks Us if it would not be possible to overlook his errors and readmit him to official rank: Yang Tsung-lien is therefore left in Chihli under Li Hung Chang who will give him employment.

Henceforward Prince Ch'un, who has now returned from his tour of inspection will concert with Li Hung Chang as to the best employment of talents, so that affairs may be managed with ability and energy. They will require officers of all grades to devote all their ability to the instruction of the troops, so that by striving they may come near perfection. As regards the sums of money necessary for continuing to purchase additional

vessels

and (constructing) batteries, let them
concert together whenever fit and
prepare a report on the ways and
means.

Respect this

Translated by
W. W. Rockhill

DEPARTMENT OF STATE
AUG 16 1886
RECEIVED.

No. 147.

Legation of the United States.
Peking June 11th 1886

Mr Denby to the
Secretary of State.

Subject.
Acknowledging receipt telegram.

No. 147.

Legation of the United States.

Peking June 11th 1886.

To the Honorable

Thomas F. Bayard

Secretary of State

Washington D.C.

Sir:

I have the honor to acknowledge the receipt of your telegram of the 9th instant, as follows,

Washington 9/6. 1886 10.40 P.M.

Denby. Peking

Present Emperor sincere thanks President for personal congratulations marriage

Bayard.

I

I have the honor to be,

Sir,

Your obedient servant,

Charles Denby

DEPARTMENT OF STATE
AUG 4 1886
RECEIVED.

Legation of the United States,
Peking, June 19th. 1886.

Mr. W. W. Rockhill to the
Secretary of State.

Subject.
Salary account for 2d. quarter
1886.

One Indosure.

Legation of the United States,
Peking, June 4th, 1886.

The Honorable
Thomas F. Bayard
Secretary of State.
Washington D.C.

Sir,

I have the honor to forward to you herewith my account for salary for the quarter ending March 31st, 1886.

I have been prevented sending it sooner on account of the failure of the Hong Kong and Shanghai Bank to supply me with the requisite certificates of sale of my draft.

I have the honor to be,

Sir,

Sir,

Very respectfully.
Your obedient servant,
W. W. Rockhill
Secretary of Legation.

Inclosure.
1- Salary account 2d. quarter 1886.

No 62 cannot be sent
because enclosures are in
No 148. Secretary's room

DEPARTMENT OF STATE
AUG 4 1886
RECEIVED.

Legation of the United States,
Peking, June 22. 1886

Mr. Charles Denby to the
Secretary of State.

Subject.

Acknowledges receipt No. 56 to 65,
with exception of 62.

No. 147.
No. 128.

Legation of the United States,
Peking, June 22. 1886.

The Honorable
Thomas F. Bayard.
Secretary of State.
Washington. D. C.

Sir,

I have the honor to acknowledge the receipt of your despatches numbered 56 to 65 inclusively, number 62 excepted.

I have the honor to be,
Sir,
Your obedient servant,
Charles Denby

Mr Everett

DEPARTMENT OF STATE
AUG 4 1886
RECEIVED.

No 149. One Inclosure.

Legation of the United States,
Peking, June 23. 1886.

Mr. Charles Denby to the
Secretary of State.

Subject.
The trade at the Treaty Ports
during the year 1885.

Copied, August 1886.
J.B.M.
7.

No: 149. One Inclosure.

Legation of the United States,
Peking, June 23. 1886.

The Honorable
Thomas F. Bayard.
Secretary of State
Washington. D.C.

Sir,

I have the honor to forward to you under separate cover two copies of the "Returns of trade at the Treaty ports and Trade Reports for the year 1885."

Although the first quarter of 1885 was most unpromising on account of the troubles with France, the results shown by the statistics for the whole year are most favorable,

favorable, the total value of the imports into China by Foreign vessels being in round numbers $112.000.000, an increase of over $19.000.000 over those of 1884. It is gratifying to learn that this improvement is largely due to the increased sale of American Drills, Sheetings and Kerosene Oil.

The exports for the year 1885 were smaller than during any year since 1873, being in round numbers $83.000.000.

A source of much difficulty to foreign importers during the past year has been the constant fluctuations in exchange, declining from 4.11 3/8 d. per tael to 4.7 3/8. for bank bills of four months sight. This decline was

was principally due to the uncertainty which existed in regard to the silver coinage question in the United States.

During the year under review, American shipping holds a prominent place in the China trade, but from about the first of August when the China Merchants' Steam Navigation Company purchased their fleet from Messrs. Russell and Company, we took again the very important position which we have held for years.

The value of the imports from the United States during 1885, as far as ascertainable, was $4.243.714.36, being an increase of $20.385.20 over 1884 (the best year for the last decade) and of $1.148.204.80

over

over 1884.

The value of the exports to the United States in 1885 was $ 10.621.104.16 being an increase of $ 23.198.72 over the year 1884.

The advance in the importation of American Piece Goods during 1885 is very noticeable. Thus at Shanghai out of the 1.610.063 pieces Sheeting laid down, 1.299.635 pieces were of American manufacture (693.805 pieces in 1884), of the Drills 471.434 pieces (302.806 pieces in 1884) and of the Jeans 16.000. On the last named article there is a decrease in 1885 of 24.123 pieces, the importation being 16.000 pieces against 40.123 pieces in 1884.

Of Kerosene oil, 14.465.970 gallons

gallons valued at $2.058.982.72 were imported in 4 steamers and 24 sailing vessels direct from New York to Shanghai, 15 sailing vessels flying the American flag. The increase over 1884 being 7.562.410 gallons.

American clarified ginseng figures on the returns of Shanghai for a value of $364.520.48, an increase of $67.842.08 over 1884.

Finally in connection with the import trade with China, I beg leave to quote the following remarks from the Trade Report of the Tientsin Commissioner of Customs, with whose opinion I concur most thoroughly.

"Looking at the poverty and stereotyped

"stereotyped character of the list of
"Imports and Exports which, with
"little variation, has served for 20 or
"30 years, it is impossible to avoid
"the reflection that the field is not
"worked so thoroughly as it might
"be by Western manufacturers and
"men of enterprise. This idea receives
"support from such phenomena
"as above mentioned, the sudden
"demand for an article like
"Cotton Yarn, which has been a
"staple in the South of China for
"at least 50 years, and the rapid
"improvement in another familiar
"staple - American Sheetings.
"Whether merchants have
"exhaustively satisfied themselves
"respecting the reasons for these
movements

"movements may be doubted, as they
"have not the time, and their
"interest in the growth of trade is
"too slight for them to trouble
"themselves in the matter. Indeed,
"the trade in Foreign goods in Tientsin
"is now almost wholly in the hands
"of Chinese, who draw their supplies
"from the great emporium of Shanghai.
"But as neither the Chinese
"consumer nor the trader possess
"any initiative power, no development
"of commerce is likely to grow out
"of any effort of theirs. It is the
"manufacturers of Europe and
"America who are chiefly interested
"in the extension of the trade, and
"it might be to their advantage as
"a body to take some trouble to

examine

"examine patiently the actual conditions
"of life among the Chinese, in order
"to deduce therefrom some fresh
"ideas in the way of supplying wants,
"based on something better than blind
"guessing. The extraordinary development
"of the trade in Kerosene oil shows
"that the Chinese eagerly welcome
"useful novelties, and it is possible
"that other articles, though not
"important enough to force their
"way, might be introduced and
"adapted to Chinese uses if the field
"were to be scientifically examined
"by interested parties."

Looking over the list of
exports to the United States for 1885,
we finds Lbs. 38.251.660 of Tea,
being an increase of Lbs. 1.899.388

over

C.

over 1884, the improvement being entirely in black teas, with a pronounced falling off in the export of green teas. The quantity of silk exported is also in advance of that of 1884, being Lbs. 748.695.4 in 1884 and Lbs. 947.418.8 in 1885 from the port of Shanghai alone.

Finally I beg to call your attention to Appendix II, embodying the returns of trade for 1885 at the open ports of Corea, this being the first year that these returns have been published. As they do not, however, enter within my province, I will not examine them in detail.

I have the honor to be, Sir,

Your obedient servant,

Charles Denby

Inclosure.

1. Two copies Returns of Trade for 1885.

DEPARTMENT OF STATE
AUG 16 1886
RECEIVED

One Inclosure.

Legation of the United States,
Peking, June 25. 1886.

Mr. W. W. Rockhill to the
Secretary of State.

Subject.
Duplicate salary account 2d
quarter 1886.

One Inclosure.

Legation of the United States,
Peking, June 26. 1886

The Honorable
Thomas F. Bayard
Secretary of State
Washington. D. C.

Sir,

I have the honor to
forward to you herewith my
duplicate account for salary
during the quarter ending March
31. 1886. 1/.

I have the honor to be,
Sir,
Your obedient servant,
W. W. Rockhill
Secretary of Legation.

Inclosure.
1- Account as above.

DEPARTMENT OF STATE
AUG 16 1886
RECEIVED

Sep.

Legation of the United States,
Peking June 30th 1886.

Charles Denby Jr, Second Secty
of Legation, to the
Secretary of State.

Subject.

Salary Account.

One enclosure.

Sep.

Legation of the United States.
Peking June 30th 1886.

To the Honorable
Thomas F. Bayard
Secretary of State
Washington D.C.

Sir:

I have the honor to
1/ enclose herewith statement
of my salary account for
the quarter ending June 30th
1886, against which I have
drawn my draft on Messrs
Brown Shipley & Co, London,
in the usual way.

I have the honor to be,
Sir,

Your

Your obedient servant,

Chas. Denby Jr.

Second Secretary.

Enclosure.

1. Statement of salary account.

DEPARTMENT OF STATE
AUG 16 1886
RECEIVED.

1.

One Inclosure.

Legation of the United States,
Peking, June 30. 1886.

Mr. W. W. Rockhill to the
Secretary of State.

Subject.
Salary account for quarter ending
June 30th, 1886.

No. 1

One Inclosure.

Legation of the United States,
Peking, June 30, 1886.

The Honorable
Thomas F. Bayard
Secretary of State
Washington. D.C.

Sir,

I have the honor to forward to you herewith my account for salary for the quarter ending June 30th. 1886.

I have the honor to be,
Sir,
Your obedient servant,
W. W. Rockhill
Secretary of Legation

Inclosure.
1- Salary account as above.

DEPARTMENT OF STATE
AUG 16 1886
RECEIVED

No. 150

Legation of the United States,
Peking, June 30th, 1886.

Mr. Charles Denby to the
Secretary of State.

Subject.

Error in numbering despatch. No. 148
of June 23rd should be No. 149.

No. 150

Legation of the United States,
Peking, June 30. 1886.

The Honorable
Thomas F. Bayard
Secretary of State
Washington. D.C.

Sir,

I beg to request that you will correct an error in the numbering of my despatch of the 23rd instant which should bear the number 149 instead of 148.

I have the honor to be,
Sir,
Your obedient servant,
Charles Denby